EXHIBIT PP

to the Declaration of
Lisa J. Cisneros in Support of
Plaintiffs' Opposition Briefs

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE)
ANTITRUST LITIGATION)
) No. 11-CV-2509-LHK
THIS DOCUMENT RELATES TO:)
ALL ACTIONS.)
______________________________)

VIDEOTAPED DEPOSITION OF MASON STUBBLEFIELD

ATTORNEYS' EYES ONLY

Friday, March 29, 2013

Reported By:
KATHLEEN WILKINS, CSR #10068, RPR-RMR-CRR-CCRR-CLR

10:22:47 that same area, did your duties change?
10:22:51 A. Duties didn't change as much, again, as
10:22:53 much as the expectations of me as an individual
10:22:55 changed, but the basic scope of responsibility was
10:22:58 still fairly similar.
10:23:01 Q. And how about now as VP of rewards?
10:23:04 A. The transitioning back from an HR
10:23:07 business partner role into the rewards role, the
10:23:10 scope of the job is different, the role is
10:23:11 different. So I now have responsibility for
10:23:14 everything end to end in compensation and benefits
10:23:16 for the company.
10:23:27 Q. And when you were starting at the
10:23:29 company, did you report to Mr. Grenier?
10:23:34 A. Yes, I did. When I first started, I
10:23:35 reported to Jim Grenier.
10:23:38 Q. At some point along the way, did that
10:23:40 change?
10:23:40 A. It did. When I moved to the HR business
10:23:43 partner role, I moved from reporting to him to
10:23:45 reporting to someone else.
10:23:48 Q. And to whom did you report then?
10:23:50 A. Jennifer Hall.
10:23:58 Q. And did you continue to report to
10:23:59 Ms. Hall when you became a vice president?

10:24:02 A. No. Actually, prior to that point, the roles that I had shifted some, and I started to report to Sherry Whiteley.
10:24:16 Q. And did you report to Ms. Whiteley until you went back to the VP rewards job?
10:24:22 A. I still report to her today.
10:24:24 Q. Okay.
10:24:24 A. So since 2009 I've reported directly to her.
10:24:43 Q. When your job changed a bit in the first year and you took on more responsibility, including base compensation, bonus, et cetera, tell me what was involved in -- start with the base compensation work.
10:24:59 A. So I'd say it's fairly broad from a base compensation perspective. It's something we think of as job architecture. So the job codes that we use, the job titles that we use, the structure behind that job system that we have really around job codes, job families. And so helping structure that, set that up. The connections from that into the market data and how we provide market reference data to the organization to assist with making compensation decisions; the extension of that into the annual talent and pay process, the

10:25:29 merit decisions, performance decisions and managing that process across the company.
10:25:35 It included a broader scope around the company-wide bonus program that we call IPI. The forecasting, the management of that process and the decision process we're at each year. More responsibility around our year-end process with the things we think of as the annual focal process or the talent and pay review. So supporting that process and how it rolls up at a company level. And at some point along the way I did take on responsibility for the retirement program, the 401(k) program.
10:26:17 Q. What was involved in the job architecture work?
10:26:21 A. It's basically setting up some structure behind job codes and job families, job levels that we use to identify the roles that exist across the organization, helping -- it's a tool that helps leaders with the different -- kind of different levels or different roles that exist inside of their teams and how we can take those and connect them out to the marketplace in roles that exist. It helps with job expectations a little bit from a performance management perspective and the core

things that would be expected in a job.

Q. And what was your understanding of why you were doing that work at that time?

A. A necessary infrastructure to run a business.

Q. Was one of the goals of creating job codes and job families to ensure that people with similar competencies got slotted into the right levels?

A. From a leveling perspective, I'd say yes in that we were building to some things that got to consistency in how we level jobs relative to the marketplace, and some consistency of levels that we use across the organization from a job scope perspective.

Q. Did that job architecture work that was part of your base compensation duty change during the time that you were working in the total rewards area prior to the present?

A. Not significantly, no.

Q. And you mentioned that part of what you were doing in creating these job codes and job families was also connecting that to market data.

Can you explain what that was about?

A. Yes. We use market reference data as

10:28:13 one of the tools to help aid decisions around how
10:28:19 we compensate employees. So part of what we were
10:28:20 doing was putting levels in place that were
10:28:22 consistent or connected, not necessarily
10:28:25 completely consistent, but connected to levels
10:28:28 that are used in some of the surveys that exist in
10:28:31 the marketplace as a way for us to collect market
10:28:33 information on how other companies pay similar
10:28:35 types of roles, similar levels of roles.
10:28:38 Q. And do you recall in the 2005 era what
10:28:41 types of market survey information you were
10:28:43 collecting?
10:28:44 A. The pri- -- the primary survey that we
10:28:47 use is through Radford, and that's been the one
10:28:50 that we've used historically.
10:28:53 Q. And what type of information do you get
10:28:55 from Radford?
10:28:58 A. We get cash compensation information
10:28:59 from them. And so we get information that gives
10:29:02 us general data on how other companies pay and
10:29:05 base salary and what their typical incentive
10:29:09 targets are and what their typical actual
10:29:11 incentives are. It also gives us some information
10:29:14 around equity value that would be provided for
10:29:16 different levels of jobs.

10:29:19 Q. And is there a certain set of Radford data that is particularly of interest to Intuit, either by industry or type of worker?

10:29:31 A. So historically, we've looked just at the general survey data from Radford. And so we've not done selected market cuts or pulled specific companies out of the data; we just look at their general data. We look at it on a geographic basis because we operate in so many different locations around the country, and there is a lot of variation of pay across the country. So we'll use that as a piece of data to help us in making decisions or references for decisions in other locations. But we don't use a select company cut.

10:30:00 Q. Is one of the categories of information that would be on the Radford data software engineer from this part of the country?

10:30:08 A. Yes. So we were -- you asked the question about worker types. And so we are looking at jobs that we have inside the organization. And so a software engineer would be an example of a job where we would want that data or we would look at that data. We're not real interested in the data on a chip designer because

10:30:25 it's not work that we do.
10:30:27 Q. Okay. Do you have a sense of what the -- the key jobs are for you to get market data on?
10:30:39 A. We tried to benchmark every job that we can, and so we're able to benchmark about 80 percent of our jobs today. So I'm not sure I would describe it as key jobs as much as it is having representative data that helps us in making decisions across the broad organization.
10:30:58 Q. And why do you try to benchmark these jobs to the market?
10:31:02 A. Be able to pay competitively.
10:31:12 Q. Is there a process by which you or others that you were aware of in the organization in that 2005/2009 time period would review market data to determine whether there should be salary adjustments because the market was changing for certain jobs?
10:31:29 A. Sure. We would look at the data as a -- you know, as one reference point for us in knowing how fast the market is moving and how much things are changing in the market and use that as an indication of what -- a piece of data or something that may help us in determining what our merit

10:31:45 budgets should be or if we needed to make
10:31:47 additional adjustments.
10:31:48 Q. And would you do that ever at looking at
10:31:50 specific jobs as opposed to overall merit
10:31:55 increases the companies were doing?
10:31:57 A. I'd say yes, we would look at both. So
10:31:59 we would look to see if things were moving faster
10:32:01 in any specific space than others just so we were
10:32:05 aware of what was happening to see if it might
10:32:08 cause us to want -- prompt a need to do something
10:32:10 different with a budget for some part of the
10:32:13 organization.
10:32:13 Q. And how often a basis would that review
10:32:15 be taken?
10:32:16 A. Usually once a year, that formal review.
10:32:20 The survey data gets updated throughout the year.
10:32:23 It's not useful to go look at it all the time
10:32:25 because it's not going to change as much.
10:32:28 Q. And tell me about that review process.
10:32:29 Put a time period on it. Let's say 2005 or 2006,
10:32:38 who would have been involved in doing that type of
10:32:41 review looking at market data and determining
10:32:42 whether there should be some changes in Intuit's
10:32:45 compensation?
10:32:47 A. It would have been myself as well as

10:32:49 some others as members of the compensation team.

10:32:55 Q. And in the 2005 period, who was part of
10:32:58 that compensation team doing that type of review?

10:33:01 A. If I go back to 2005, it was primarily
10:33:03 myself doing that type of review and a gentleman
10:33:05 named Paul Reichow.

10:33:10 Q. And did that -- did the composition of
10:33:13 that team change over time?

10:33:15 A. Yes.

10:33:15 Q. And how did it change?

10:33:16 A. Paul left the organization at some
10:33:19 point. Actually, if I think back too, there was
10:33:23 one other person called Deborah Morley who was
10:33:27 involved in some of the work then. People moved
10:33:29 into different roles and changed responsibilities,
10:33:31 changed roles. We brought other people into the
10:33:34 team. And so over a period of years, the team
10:33:36 would have evolved in some way.

10:33:37 Q. And going that forward to '06, '07, '08,
10:33:40 did the team grow or were there additional people
10:33:43 added?

10:33:44 A. Additional people, different people in
10:33:45 the team.

10:33:46 Q. Do you remember some names from that
10:33:47 era?

10:33:48 A. Sure.
10:33:52 Think a second. So I don't remember the
10:34:00 exact years on all of the time frames. So
10:34:03 there's -- one person who came into the team and
10:34:06 had some involvement in this was Melissa Sheffer,
10:34:09 and Carmen Mendez. There's one other one. It's
10:34:22 terrible. I'm remembering the first name but not
10:34:25 remembering the last name.
10:34:25 Q. What's the first name?
10:34:27 A. It's been awhile back. Patty.
10:34:28 Patricia. I don't remember the last name.
10:34:31 Q. It's completely natural that that
10:34:32 happens. And if you remember something later on
10:34:34 in the day to clear up a question that was hard to
10:34:36 answer earlier, it's fine to say "I now remember."
10:34:40 A. I'm sure I will think about it until I
10:34:42 remember it then.
10:34:43 Q. No problem.
10:34:44 During the time period that you were
10:34:46 actively involved in reviewing market data and
10:34:49 considering whether that should influence changes
10:34:50 in Intuit's compensation, was that the 2005/2008
10:34:57 period?
10:35:01 A. If I understand your question, I think
10:35:01 yes.

10:35:04 Q. Let me back up. Asked a poor question.

10:35:06 So there was a period of time when you were involved in the compensation group that was looking at market data and determining whether, on a company basis or for a certain positions, there should be a change in the compensation?

10:35:17 MR. KIERNAN: Hang on. Object to form.

10:35:20 BY MS. DERMODY:

10:35:20 Q. Is that correct?

10:35:22 A. So I --

10:35:22 MR. KIERNAN: Object to form. Just so I can get -- there were two questions, so let me get it --

10:35:27 MS. DERMODY: Sure.

10:35:28 MR. KIERNAN: Yeah.

10:35:28 THE WITNESS: Okay. So if I understand your question, so during that time period, I had responsibility for making a recommendation on what the company's merit budget was. Using -- we did look at market data. We looked at changes in the market as a reference to that. But the primary guide that we used was what we thought was appropriate inside the company based on what our demands and needs were for talent.

10:35:54 And so it was a piece of data that we

use, but it didn't really drive the decision as much as other factors did.

BY MS. DERMODY:

Q. Okay. And if you determined that you weren't competitive in the market, would that influence a decision to increase salaries in a certain area?

MR. KIERNAN: Object to form.

THE WITNESS: The primary base -- we hit -- during that time period, our merit budget was relatively consistent year to year. In most years it was 3 to 4 percent. And primarily we looked at affordability for the company; we looked at what was happening outside; we had a consistent budget each year. We actually had a consistent budget in a number of years where we actually would have seen things in the market either being stagnant or flat, we continued to have increases. And it was more based on what we felt was an appropriate thing to do inside. It was not because we felt like we were paying below market. We actually had a fairly strong belief that we were paying really strongly against market based on the comparisons of data.

BY MS. DERMODY:

10:36:46 Q. But wasn't one of reasons you looked at that market information to stay competitive with your salaries? Is that right?

10:36:51 A. Yes. We did use the data as a competitive reference.

10:36:54 Q. Right.

10:36:55 And so if you observed that there were certain positions where you had somehow fallen below whatever level you thought was competitive in the market, that would influence your decision to increase salaries in that area; isn't that correct?

10:37:06 MR. KIERNAN: Object to form.

10:37:10 THE WITNESS: We'd use the data as a reference from a competitive perspective and we -- we had consistent merit budgets. We didn't find any data that said we needed to make any changes to do anything specific for an individual group during that time period.

10:37:22 BY MS. DERMODY:

10:37:22 Q. And was the reason you looked at the data was to identify if you had to make those changes?

10:37:29 MR. KIERNAN: Object to form.

10:37:32 THE WITNESS: The --

10:37:34 MR. KIERNAN: Just so I can clarify, the reason I keep saying that is I don't know when you're saying "you" if you mean he personally or Intuit in general.

10:37:41 MS. DERMODY: Sure. Fair enough.

10:37:43 Q. I'm asking you in your role on this compensation group.

10:37:50 A. We use the data as a reference tool. We used other elements of data as reference tools as well. And so, yes, that would be -- part of the reason was to see how fast things were changing in the market, how much things were moving in the market.

10:38:04 Primarily, the use of the data was to help our managers have another reference point on how they are compensating employees. So they make the compensation decisions. It's in their discretion to choose how they want to pay. We use it as a reference point to help them. We are mostly giving them the data to give them an update and say here's what current data looks like.

10:38:24 Then, yes, if we had seen huge changes or dramatic changes in some ways, that might have prompted us to make some decisions. We didn't find that -- I don't recall finding that during

10:38:31 that time period. We had very consistent merit budgets during that time period.
10:38:41 Q. When you moved to the HR business partner role, was there another group of people that were continuing to use the market data and perform the same tasks you were then performing?
10:38:56 A. Yes. The -- there were others who took on -- there was others who took on the roles and responsibilities that I had when I moved.
10:39:02 Q. And who were those people?
10:39:04 A. The role was essentially split between two people. Parrish Pullen.
10:39:13 Q. And?
10:39:13 A. And Christina Hall. And I did remember the last name of the other person. Patricia Kada, K-A-D-A.
10:39:28 Q. Thank you.
10:39:30 What were Mr. Pullen and Miss Hall's responsibilities?
10:39:37 A. Miss Hall took on most of the responsibilities that I had had in executive compensation and equity compensation, and Mr. Pullen took on more of the base pay responsibilities that I had had initially. And that evolved some over time. And I don't know

10:39:51 that I can tell you everything about how it evolved.

10:39:55 Q. Okay. When you moved into the HR business partner role, you mentioned that you had some responsibility for compensation decisions that were on your team.

10:40:22 What was that responsibility?

10:40:24 A. So as the HR leader for the business unit, I worked closely with the head of the business unit in our annual focal process in auditing decisions that had been made across the organization to ensure that we were paying for performance.

10:40:44 Q. And can you describe what that audit process was?

10:40:47 A. We have a system that we use to capture the recommendations for managers, and we have a review process with that. The audit process is primarily reviewing reports that would come out of that system and looking for the connection and relationship between performance and compensation to make sure were delivering pay for performance. So a number of reports and, you know, analysis that we would do on data.

10:41:10 Q. And please describe kind of what the

10:41:17 actual steps were along the way of the whole
10:41:21 audit.
10:41:23 A. We -- we have a system that we use to
10:41:25 capture the recommendations. We would -- there
10:41:28 was some -- some reporting, some budget
10:41:30 information that would be available directly out
10:41:32 of that system.
10:41:33 And in some cases it would be
10:41:35 reporting -- pulling that data out into an Excel
10:41:38 file and then doing a number of different -- forms
10:41:41 of analysis on the data. So looking at
10:41:44 differentiation. So looking at merit increases,
10:41:47 increase recommendations by performance ratings,
10:41:50 looking at bonus recommendation by performance
10:41:52 ratings, looking to see ratios between those to
10:41:55 make sure that we're delivering for performance.
10:41:57 Looking at data across the different
10:41:59 leaders below the senior leader to make sure we
10:42:02 had consistency and compliance to budget at an
10:42:04 overall level. And, again, looking for
10:42:07 consistency between performance ratings and pay
10:42:10 decisions.
10:42:11 Q. And you said there was a system that
10:42:12 captures this. Is there an internal site in your
10:42:19 database at Intuit where managers would log on and

10:42:22 input what their recommended ratings were and
10:42:27 merit increases would be for employees?
10:42:32 A. Yes. We've used a couple different
10:42:34 systems. They're web-based online systems that a
10:42:37 manager would log into that would give them access
10:42:39 to their group of employees and ability to make
10:42:42 recommendations, capture those decisions.
10:42:44 Q. And then how did you do the audit? Did
10:42:46 you review all of those different recommendations?
10:42:49 A. Pri- -- in general, no. Not reviewed
10:42:53 each individual recommendation. Organizations are
10:42:55 very large. So we'd do audits looking for
10:42:58 patterns.
10:42:58 Q. Okay. Were there certain things that
10:43:01 would show up or would catch your eye as eye
10:43:05 opening in a recommendation?
10:43:06 A. Sure.
10:43:08 Q. What would that be?
10:43:10 A. A pay increase that was outside a
10:43:12 guideline for the performance rating, perform a --
10:43:15 any -- any inconsistencies. We have a set of
10:43:19 guidelines and we would have exception reporting
10:43:21 to identify things that were outside of those
10:43:24 guidelines and would audit those.
10:43:26 Q. So if -- so were there ranges of merit

increase that would be appropriate for different performance ratings?

MR. KIERNAN: Object to form. Sorry. Object to form.

THE WITNESS: We provide guidelines. Intuit provides guidelines for what we would expect a range of increase to be for a level of performance.

BY MS. DERMODY:

Q. And then if a person -- if a manager had recommended someone outside that guideline, would that be something that you would audit?

A. Would depend on how far outside the guideline it was. But likely it would be something we'd look at to try to understand why the recommendation was being made.

Q. Okay. And you mentioned that you were involved in the audit process.

Was someone else also involved with you reviewing the managers in your area?

A. I had a staff of HR business partners that worked with specific leaders inside the organization, and so they would do similar audits. The compensation team that I had been part of before would also do similar audits, try to help

us in going through the process.

Q. And was it your understanding that this audit process was happening across the company when managers were doing recommended merit raises and bonuses?

A. There's a level of audit that happens across the organization. I don't know that it's -- that everyone else did exactly the same things that I did, but there was a review process, an audit process.

Q. Are you aware of specific differences in the audit process across the organization?

A. I can't say that I'm aware of any specific differences.

Q. Okay. And is this system that you describe that captures the manager recommendations, is that a system that is used across the company?

A. Yes.

Q. Okay. And were there times where you disagreed with a recommendation that a manager made?

A. Yes. I'm sure -- I'm sure there were.

Q. And if that happened, would you decline to approve that recommendation?

10:45:29 MR. KIERNAN: Object to form.

10:45:32 THE WITNESS: Our process didn't have a specific approval process like that. So if I -- if there was something I had questions about or something I wasn't clear about, I would ask questions about it. And I -- in some cases I might influence the manager to end up in a different place, and in some cases their -- their recommendation might go through.

10:45:51 BY MS. DERMODY:

10:45:51 Q. Do you recall there being any occasions when you questioned a manager's recommendation and the recommendation was changed?

10:45:56 A. I don't recall a specific situation of that, but those things happened, yes.

10:46:20 Q. What would be an example of acceptable reasons to pay outside the recommendations?

10:46:34 A. If the guidelines that we provide are -- you know, say, are fairly broad in some cases, and a manager might feel like they might want to make a slight exception to those. We pay for performance, and so we would connect it back to performance. So if someone's performance was -- their pay was not consistent with their performance and the manager felt like they needed

to go a little bit higher on a merit increase to get the re -- reward the employee appropriately for performance, that would be an acceptable reason.

Q. In terms of the factors that would go into evaluating whether an employee should get a greater or lesser increase in pay, what role did retention come into that?

MR. KIERNAN: Object to form.

THE WITNESS: I'm not sure I completely understand your question.

BY MS. DERMODY:

Q. Did you have retention ratings for employees?

A. We do have retention ratings for employees.

Q. Can you describe how those worked during the time period that you were an HR business partner?

A. Can you say more about what you mean about how they worked?

Q. How were managers instructed to use retention ratings?

A. Managers are instructed to rate employees on three different factors, actually.

One of those is performance, one of those is retention. Intuit uses three different retention ratings. They get labeled as one, two and three with one being the highest and three being the lowest.

Managers are instructed to give every employee -- that they have enough data on. If they don't have enough experience with them, then they couldn't necessarily do it. If they're instructed to assign a retention rating to every employee, the combination of their retention rating and the performance rating and other factors influenced eligibility for equity. It had no bearing at all on base pay.

Q. And were there certain guidelines for what performance rating and what retention rating an employee needed to have to be eligible for equity?

A. Yes. And those varied over the years.

Q. And how are managers instructed to determine whether someone was a one versus a two versus a three for retention?

A. There's a number of different criteria that we describe behind what we think behind those -- what those retentions ratings are. But

10:49:04 with retention primarily being connected to
10:49:06 equity, our equity vests over a multiyear period.
10:49:09 The primary difference between it is trying to
10:49:11 identify talent that we believe is going to be a
10:49:13 creative to the future of the company. And
10:49:16 there's a number of different factors that can go
10:49:18 into that. So it could be skill set. It could be
10:49:20 institutional knowledge. It could be things like
10:49:23 what we see as runway for future growth and the
10:49:26 opportunity to take on larger roles.
10:49:27 And the difference between one, two and
10:49:29 three is the varying nature of skills in those --
10:49:32 the qualification or the assessment of an
10:49:35 individual against those types of things.
10:49:37 Q. Are there ever managers that are, by
10:49:43 virtue of the project they're on, managing
10:49:46 employees that are all number 1s for retention?
10:49:53 MR. KIERNAN: Object to form.
10:49:53 THE WITNESS: "Ever" is a big word. So
10:49:58 I -- sure, that's a possibility. We do have some
10:50:03 expectations. We've always had expectations that
10:50:06 at larger level within the organization, there
10:50:08 needs to be differentiation across retention
10:50:10 ratings as well, and that not everyone is a 1.
10:50:13 But in a -- I could see a situation where in a

10:53:13 committee meetings of the board?
10:53:17 A. No, I did not.
10:53:20 Q. And was there a regular HR business
10:53:23 partner meeting that you attended, or were those
10:53:26 more ad hoc?
10:53:27 A. When I was in the compensation role?
10:53:29 Q. Yes.
10:53:29 A. Those were more ad hoc.
10:53:36 Q. What was your understanding of the
10:53:37 purpose of Mr. Grenier's meetings?
10:53:44 A. My meetings?
10:53:45 Q. The ones that you attended when you were
10:53:46 in the compensation role.
10:53:47 A. His staff meetings were kind of typical
10:53:50 staff meetings of updates on things happening
10:53:52 within the organization. So update things --
10:53:55 updates on things happening at an Intuit level,
10:53:58 things happening within the HR organization,
10:53:59 updates on things that were happening inside of
10:54:01 the total rewards team, you know, projects that we
10:54:05 were working on, kind of typical staff meeting
10:54:08 types of things.
10:54:10 Q. Did the topic of recruiting come up in
10:54:12 connection with your compensation work?
10:54:16 A. Say more about that. Recruiting as a --

10:54:20 we were not recruiting, but we did work with the
10:54:25 recruiting organization inside the organization,
10:54:27 and so, sure, it may have come up.
10:54:31 Q. Did you have any role in setting
10:54:34 recruiting policy?
10:54:37 A. No.
10:54:45 Q. In case there's any doubt, I'm asking
10:54:47 you about the 2005/2008 time period. And I'll try
10:54:51 to be clear if I'm not asking about that time
10:54:53 period. Okay?
10:54:53 A. Okay.
10:55:09 Q. Did you ever attend any board of
10:55:10 directors meetings in the 2005/2008 time period?
10:55:14 A. No.
10:55:15 Q. How about when you were an HR business
10:55:16 partner role?
10:55:17 A. No.
10:55:37 Q. Again, in the 2005/2008 time period,
10:55:41 what was your role in developing the annual merit
10:55:44 budget for Intuit?
10:55:48 A. I had the responsibility of making
10:55:49 recommendation.
10:55:52 Q. Can you walk me through the process that
10:55:53 you had to do that?
10:55:56 A. Primarily, the process we used was, you

know, looking at what was happening in the marketplace. So getting some insights there, looking at what was happening from a broad perspective in the marketplace. Looking at issues or situations that may be happening inside of Intuit, things like turnover. So were we experiencing a greater level of turnover? Did it look like we had challenges or issues relative to retention of employees?

Checking in with finance, working with finance on what their perspective was on business growth and affordability. And then I made a recommendation of what seemed like an appropriate merit budget.

Q. Did you ever have occasion to call your colleagues at other companies to find out what they were doing around merit increase?

A. Sure.

Q. And were there certain people that you frequently reached out to?

A. I don't recall any specifics. I've had connections in the valley for a long time, and so would reach out to others that were in similar roles just to get their sense of what was happening and what they were thinking.

10:57:01 Q. And did that include people that were at Google?
10:57:04 A. No.
10:57:07 Q. How about at Apple?
10:57:08 A. I'm going to say no. I've had some contacts at Apple, but never contact -- never of that nature.
10:57:14 Q. How about Intel?
10:57:16 A. I was in a group that -- there was -- there was a group of compensation professionals in the -- in the valley that were focused on -- primarily on equity compensation and primarily focused on equity compensation outside the U.S. Intel did participate in that group, and so we may have discussed things like merit budgets and things in some of those conversations.
10:57:40 Q. Okay. What about Adobe? Did you have a colleague there that you would speak with about these issues?
10:57:47 A. No.
10:57:49 Q. Lucasfilm?
10:57:50 A. No.
10:57:51 Q. Pixar?
10:57:52 A. No.
10:59:03 MS. DERMODY: Is that 2735?

10:59:05 THE REPORTER: Yes.
10:59:05 MS. DERMODY: Thanks.
10:59:06 (Whereupon, Deposition Exhibit 2735 was marked for identification.)
10:59:05 BY MS. DERMODY:
10:59:06 Q. Mr. Stubblefield, the document we've just marked as Exhibit 2735 has a number below. It's a Google document that starts 480 --
10:59:17 MR. KIERNAN: Can I -- I hate to do this. It's marked attorney's eyes only from Google.
10:59:23 MS. DERMODY: His name is on the document.
10:59:25 MR. KIERNAN: On the top?
10:59:27 MS. DERMODY: Yeah.
10:59:27 MR. KIERNAN: Okay. All right. I'm just making sure.
10:59:30 BY MS. DERMODY:
10:59:32 Q. Anyway, it's marked -480249.
10:59:35 Do you see that?
10:59:36 A. I do.
10:59:37 Q. And do you recognize this document?
10:59:40 A. I don't. I can't say I recognize it specifically. It's from a long time ago. But you asked about Adobe. So Adobe was also in the

group, the silicon -- the group that was focused on equity practices, so Adobe was in that group.

Q. Okay. And if you look at this e-mail, the top e-mail from Jim Johnson at Seagate, which is sent to a number of people, and you're copied on that, do you see that?

A. I do see that.

Q. It attaches another e-mail below where the e-mail addresses of the recipients are spelled out.

Do you see that?

A. I do see that.

Q. Does this refresh your recollection that in that group was a woman from Apple?

A. Yes, I do see that.

Q. And a woman from Adobe?

A. Yes.

Q. And a woman from Intel?

A. Yes.

Q. And was -- were those people all in this group that you mentioned as the group of Silicon Valley HR people that would communicate about different comp issues?

MR. KIERNAN: Object to form.

THE WITNESS: Some of them were.

11:00:47 There's some of the names on here that I don't recognize from that group, so they may have been communications from someone else. So the name from Apple, the name from Adobe I do recognize being in the group. The one from Intel I actually don't recognize. That's not a person I'm familiar with.

11:01:06 BY MS. DERMODY:

11:01:23 Q. You see also there's a Mr. Wagner from Google? Do you see that?

11:01:27 A. I do see that.

11:01:28 Q. Does that refresh your recollection Mr. Wagner was also on that group?

11:01:32 A. I don't believe I know Mr. Wagner.

11:01:34 Q. Do you recall him being part of a group of e-mails with other people in the valley about different compensation issues?

11:01:41 A. I see it on here. I can't say I recall it. I don't believe I know him. It's been five years ago, so not someone that I -- that I recall.

11:01:52 (Whereupon, Deposition Exhibit 2736 was marked for identification.)

11:02:43 BY MS. DERMODY:

11:02:44 Q. Mr. Stubblefield, there's another document placed in front of you, it's marked 1736

[sic]. This one comes from the Intuit file and should have the number 53086 in the front. Do you see that?

A. Yes, I do.

Q. And is this an e-mail sent from Mr. Grenier -- Grenier?

A. Grenier.

Q. -- Grenier to you and Mr. Parrish -- excuse me, Mr. Pullen?

A. Yes.

Q. And this is attaching another e-mail which is from someone at Macromedia with a subject, "Incentive Compensation structure for Sales Executives."

Do you see that?

A. Yes, I do.

Q. And in the list of people in this e-mail from the person at Macromedia, there's a recipient at Adobe.

Do you see that?

A. Yes.

Q. And at Google.

Do you see that?

A. Yes.

Q. And do you recognize those people as

11:03:49 being part of this Silicon Valley group that
11:03:50 discussed different compensation issues?
11:03:52 MR. KIERNAN: Object to form.
11:03:56 THE WITNESS: No, I do not.
11:03:57 BY MS. DERMODY:
11:03:57 Q. Do you know who kpoole is at Google?
11:04:00 A. No, I do not.
11:04:01 Q. Do you know who Ellens is at Adobe?
11:04:04 A. Maybe. I think so.
11:04:07 Q. Okay. And who is that?
11:04:10 A. I think it's Ellen Sworthouse, but I'm
11:04:14 not positive.
11:04:16 Q. As indicated in this message from the
11:04:17 Macromedia person, she says:
11:04:22 "As part of our FY06
11:04:24 Executive Sales Compensation Plan
11:04:26 design process I am interested in
11:04:29 a brief confidential data exchange
11:04:31 with you. We will use this
11:04:33 information along with other
11:04:34 market information (i.e. Radford)
11:04:37 to compare our plan against market
11:04:39 practice. I will summarize the
11:04:40 findings and share them with those
11:04:43 of you who respond."

11:04:44 Do you see that?
11:04:44 A. Yes.
11:04:45 Q. Do you recall there being an exchange about incentive compensation for sales executives?
11:04:50 A. I -- I don't recall.
11:04:52 Q. Do you know if you participated in this?
11:04:54 A. I don't know.
11:04:55 Q. Is this something that you would normally have participated in?
11:04:59 A. It might be.
11:05:01 Q. And do you recall there being occasions where you exchange information about specific types of employee compensation with other companies?
11:05:10 MR. KIERNAN: Object to form.
11:05:11 THE WITNESS: Questions like this, you've seen another example of questions like this were not uncommon or not uncommon to try to get information. I wouldn't say that they're about specific employees. They might be about a group of employees. And they were generally at a broad level of what are your practices in these areas. So, yes, I recall things like that happening and I can't tell you specifics.
11:05:36 BY MS. DERMODY:

11:05:36 Q. Okay. And do you recall there being communications where there were exchanges about compensation ranges or compensation approaches for different groups of employees to share with other companies in the valley?
11:05:50 A. I don't recall any specific examples of things like that.
11:05:54 Q. Even though you can't recall the specific example, do you recall that that happened?
11:06:02 A. There were exchanges around practices and things like this. I don't recall situations around specific ranges of compensation for employees. I wouldn't say it didn't happen, but I don't recall that happening.
11:06:14 Q. Okay. In addition to the e-mail group that you were part of with other companies in the valley, did you have occasion to go to dinner or socialize with groups of HR professionals from other Silicon Valley companies?
11:06:39 A. It wasn't actually an e-mail group. It was a group that met live about once every two months, and then e-mail might be a method of follow-up if there were things that came out afterwards. But it was a group that met

specifically to talk about equity issues. There may have been some social aspects attached to that. I don't recall going out to dinner with anyone else regularly or things like that. There are conferences and things like that that exist in the valley that have a social aspect to them.

Q. And did the group you met with every two months have a name to it?

A. It was called the -- I want to say it was called the Silicon Valley Global Equity Forum, or something like that. So it did have a formal name and it was a formal group.

Q. And do you recall, in connection with that group meeting, there being discussions of compensation below the executive level?

A. The focus of the group was primarily on equity practices outside the U.S., and it would have been beyond executives.

Q. And how about discussions involving domestic workers?

A. The focus was primarily around equity, and it would have included -- would have included workers. It was primarily outside the U.S. It would have had occasions where the U.S. practices would have come into that as well.

A. It -- it actually had started prior to that, so it was a group that I had participated with when I was at NetApp, and so it started sometime prior to that. I don't remember exactly when it started and I don't remember -- I don't know how it evolved over the years after that either.

Q. And was that group continuing to meet at the time you moved into the HR business partner role in 2008?

A. The formal group itself did. I don't believe Intuit continued to participate in it.

Q. Do you know when Intuit stopped participating in it?

A. I think Intuit stopped participating when I moved out of the role.

MS. DERMODY: Okay. I promised you a break every hour, so let's take a break.

MR. KIERNAN: Yeah. Good.

THE VIDEOGRAPHER: This is the end of Video Number 1. The time is 11:10 a.m. We are going off the record.

(Whereupon, a recess was taken.)

THE VIDEOGRAPHER: This is the beginning of Video Number 2 in the deposition of Mason

11:23:35 Stubblefield. The time is 11:23 a.m. We're back
11:23:38 on the record.
11:23:39 BY MS. DERMODY:
11:23:40 Q. Mr. Stubblefield, at some point in that
11:23:44 2005/2008 time period, were you involved in
11:23:47 developing what we called a proxy peer group for
11:23:51 Intuit?
11:23:51 A. Yes.
11:23:52 Q. And what was that?
11:23:56 A. What was the proxy peer group?
11:23:59 Q. Yes.
11:23:59 A. From an executive compensation
11:24:00 perspective, we look at a group of proxy peers,
11:24:03 which is essentially what our shareholders are
11:24:05 looking at to evaluate our executive compensation
11:24:08 decisions.
11:24:08 Q. And do you recall who was included among
11:24:10 your proxy peers?
11:24:11 A. I don't recall specifically all the
11:24:13 companies at this point.
11:24:14 Q. Okay. Do you recall if Intel was part
11:24:16 of that group?
11:24:16 A. I don't recall specific names.
11:24:20 Q. Adobe?
11:24:20 A. Like I said, I don't recall specific

11:24:22 names. There was 20, 25 companies that were in it.

11:24:25 Q. Okay. And what was the process you went through to come up with that list?

11:24:33 A. We used a few different things. Some of it was input from our own organization on who we saw as talent peers and who we were competing against for talent in the organization, across executive talent. Part of it was also working with the compensation consultants that we used for executive compensation, which at the time was Watson Wyatt, and getting input from them in helping us develop who that proxy peer group would be. That was reviewed with the compensation and organization development committee of the board and ultimately approved by them as a peer group.

11:25:08 Q. And do you recall in that same time period who were considered to be the talent peers for Intuit?

11:25:14 A. I don't recall specific companies. It varies by -- Intuit's a collection of different business units, and those peers would vary quite a bit by business unit.

11:25:25 Q. Do you recall any of the companies?

11:25:28 A. I can think of a few names that would

11:25:30 probably come up with a valley perspective, but we would also look at other companies outside. Companies like Paychecks or ADP from a payroll perspective. Companies like Yahoo!, eBay may have been -- would have been in the group. NetApp was in the group at one point.

11:25:45 Q. What about Google?

11:25:47 A. Google would probably have been in the group as well.

11:25:49 Q. How about Intel?

11:25:51 A. I don't recall specifically about Intel.

11:25:53 Q. Okay. Adobe?

11:25:55 A. Like I said, I don't recall specifically about Adobe. So being a software company, we looked at other software companies, again, looking at different parts of our business.

11:26:08 Q. Do you recall if Apple was part of that group?

11:26:11 A. I don't recall the specific names of companies that were in the group.

11:27:04 Q. I can't tell from the transcript if this was captured. I asked you about Google being in that group.

11:27:09 Is it your testimony that Google would have been in that peer talent group?

11:27:14 A. I don't recall specifically who the companies were in the peer group.

11:27:16 (Whereupon, Deposition Exhibit 2737 was marked for identification.)

11:27:32 BY MS. DERMODY:

11:27:37 Q. The document that's been marked 2737 should have an Intuit number -53096.

11:27:43 Do you see that?

11:27:44 A. Yes, I do.

11:27:45 Q. And is this an e-mail from Mr. Grenier to you from June 28, 2005?

11:27:53 A. Yes, it is.

11:27:55 Q. And if you look down at the attached e-mail, there's an e-mail from you to various people listing companies that -- it says you got from our executive recruiting leader, and it has a list of companies and then local competition for talent.

11:28:17 Do you see that?

11:28:18 A. Yes, I see that.

11:28:19 Q. Do you see Google on that list?

11:28:20 A. Yes, I do see Google on the list.

11:28:22 Q. Does that refresh your recollection that Google was on that talent peer list?

11:28:26 A. Like I said, I don't recall. So I see

11:28:28 it here, but I don't recall specifically.
11:28:34 Q. Do you recall developing lists like this as reflected in Exhibit 2737?
11:28:41 A. I see that I did it here, and like I say, this was -- the two people that messages were sent to were from Watson Wyatt in working on the proxy peer list, but I don't recall the specific steps or activity doing it, no.
11:29:11 Q. Did you have occasion in the 2005 to 2008 time period, when you were working in the compensation area or after that, when you were an HR business partner, to assist with counteroffers for Intuit employees who might have been recruited elsewhere?
11:29:30 A. Yes.
11:29:30 Q. And tell me, was that the entire time period, or was that only when you were an HR business partner?
11:29:37 A. It may have happened in some situations as a compensation consultant or adviser, so may have happened in some cases in both roles.
11:29:49 Q. When you were in the compensation role, what was your contribution to the counteroffer discussion, if that was happening?
11:29:59 A. Intuit's approach in general is not to

do counteroffers. So culturally, we don't believe it's the right thing to do. So in some cases, my role would have been to reiterate that perspective. If I got a contact from someone who was saying that an employee had an offer from someone else and was considering leaving and what would we do about it, I may have been coaching them on our approach or philosophy, or I might have been providing them some insight or perspective on something they were considering doing.

Q. And do you recall there being occasions when you assisted in providing them information to give a monetary counteroffer?

A. I don't recall any -- any specific situations.

Q. Do you recall that happening if you don't recall the specifics?

A. I guess -- help me with more -- I don't -- so I don't recall specific situation of -- I don't recall a conversation like that. My role may have been -- would have been to give them some perspective around compensation, and thinking about a variety of things that could be done as a -- as a response to someone considering leaving

11:31:07 the organization.
11:31:08 Q. Okay. And was one of those strategies
11:31:11 to give the person more money?
11:31:14 A. Generally, that would not be our
11:31:16 approach. Like I said earlier, culturally we
11:31:19 don't think that's the right statement to make.
11:31:20 If someone's used -- thinking about leaving the
11:31:22 organization, they are generally thinking about
11:31:25 leaving for a variety of reasons. Compensation
11:31:26 usually becomes the excuse, but it's rarely the
11:31:29 root cause and the real reason.
11:31:30 So our approach would generally not be
11:31:32 to respond with compensation. We would try to
11:31:34 understand what the key factors were, what the
11:31:37 root cause was for the person considering leaving.
11:31:39 Might be job content. Might be a number of other
11:31:41 factors.
11:31:42 We might consider using retention
11:31:44 bonuses in some cases to try to get someone to
11:31:46 stay. We might have looked at giving someone an
11:31:49 increase in their base pay if the manager thought
11:31:52 that was an appropriate thing to do.
11:31:56 Q. And what is a retention bonus, or what
11:31:58 was it in that time period?
11:32:00 A. Retention bonus would be an opportunity

11:32:02 for an incremental cash payment at some point in
11:32:05 the future if an individual stayed through that
11:32:07 time period.
11:32:20 Q. And do you recall how you determined
11:32:21 what the amount of that kind of cash payment would
11:32:23 be?
11:32:26 A. There would be various different ways to
11:32:29 look at it. All of our employees, majority of our
11:32:31 employees have some type of annual incentive
11:32:35 opportunity, and we would use that as a
11:32:37 calibration point. So it might be an amount that
11:32:38 was similar to that.
11:32:40 Q. Can you explain what you mean by that?
11:32:42 A. Employees have a bonus target or
11:32:44 incentive target. So as an example, the incentive
11:32:46 target might be 10 percent of their salary. We
11:32:49 might use that as a guide. We would use that as a
11:32:52 guide to think about an incremental bonus that
11:32:55 would be meaningful for the employee to, you know,
11:32:58 help convince them or persuade them to stay.
11:33:08 Q. Okay. And then when you moved into the
11:33:11 HR business partner role, did your responsibility
11:33:15 with respect to counteroffers change?
11:33:20 A. The role with it would still be a
11:33:22 consulting role with the business leader in trying

to help them think through ways to respond to a situation. The nature of the role would be different from being the compensation professional to being their HR business partner, but still a consultive role.

Q. Do you recall situations coming up when you were in the HR business partner role where an employee was looking elsewhere and the counteroffer question was raised?

A. I don't recall any situations like that.

Q. Even if you can't recall specifics, do you recall it happening?

A. I don't recall it happening.

Q. Okay. Is it your testimony that it didn't happen or that you don't recall that it happened?

A. It's that I don't recall.

Q. Okay. You've described a number of categories of compensation; base salary, bonus and equity being the main three. Is that correct?

A. Yes.

Q. And then there are opportunities for other types of awards in the company; is that correct?

A. Help me with how you define "awards."

11:35:03 Q. Sure.
11:35:04 Are there other monetary awards for employees in the company? And I'll stick with the 2005 to 2009 time period.
11:35:11 A. So we have a recognition program that provides monetary value for specific events, specific results, behaviors, things from employees. We talked a bit about retention bonuses, which would also be a monetary reward that could -- is used in some situations, would be available for employees.
11:35:35 Q. In terms of the recognition program, again, sticking with the earlier time period than now, what program or programs existed that had compensation as a -- as a form of the reward?
11:35:51 A. With the recognition program specifically?
11:35:52 Q. Yes.
11:35:55 A. The recognition program provides most anyone in the organization an opportunity to provide some value as recognition for a contribution from someone else in the organization. In most cases, that's not cash. It's actually done in the form of gift certificates. More like gift certificates or gift

11:36:16 cards where it's value and the person -- the
11:36:18 recipient turns that value into something that
11:36:21 they could keep as a more memorable item for the
11:36:25 recognition versus it just being cash. It's got
11:36:27 monetary value.
11:36:29 Q. Is that the spotlight program?
11:36:31 A. Yes, that's the spotlight program.
11:36:38 Q. And is there a range of value with these
11:36:41 gift certificates?
11:36:41 A. Yes.
11:36:43 Q. What would be the range?
11:36:46 A. $50 to $500 to a monetary value of a
11:36:55 trip that could be a couple thousand dollars.
11:37:03 Q. And for how long has the spotlight
11:37:05 program been around?
11:37:09 A. I don't know exactly when it started,
11:37:10 but it's been a key part of Intuit's compensation
11:37:13 approach for a number of years. Ten years or
11:37:15 more.
11:37:16 Q. Okay. So prior to your time maybe?
11:37:18 A. Yes. There was a recognition program
11:37:20 prior to my joining.
11:37:23 Q. And do you know if retention bonuses
11:37:26 have ever been allocated to employees proactively
11:37:33 before there's even a counteroffer or another

11:37:36 offer out there for that employee?
11:37:38 A. Yes.
11:37:39 Q. And describe those situations.
11:37:43 A. There's been situations in -- a few different situations I can think of if there were changes happening in a business, and we were concerned that those changes in the business might prompt attrition or contribute to attrition, we've used proactive retention bonuses to try to lock those employees for a given period of time.
11:38:04 If there were concerns about specific skills or talent that were critical for us for a project, we've used retention bonuses to try to incent those employees to stay through the completion of that project with the hope that they'd stay much longer than that.
11:38:19 If we saw attrition in some area, we'd use -- we use retention bonuses proactively to try to secure, lock in, create the incentive for other talent to stay.
11:38:35 Q. And has that been the practice going back to when you started in 2004?
11:38:41 MR. KIERNAN: Object to form.
11:38:46 THE WITNESS: Intuit's pretty consistently provided a variety of tools for

managers to use at their discretion as they need them to. So we've had retention bonuses where a tool that goes back to -- the start of my time as one of the tools that was out there. We primarily use equity as our retention vehicle, and it's been out there as well.

BY MS. DERMODY:

Q. And is equity something that you have used proactively to keep talent notwithstanding any other offer that they might have in the market?

MR. KIERNAN: Object to form.

THE WITNESS: Intuit includes equity as part of the annual talent and pay process, and based on the performance ratings, retention ratings, employees are given a value of equity.

And so I would say in a lot of respects that is a proactive retention tool. So it's not in response to anything other than the performance and what we see as their value going forward.

BY MS. DERMODY:

Q. And I think you testified earlier that the compensation, including decisions about equity, are generally made once a year; is that right?

11:40:06 A. Yes.
11:40:09 Q. Have you been aware of any decisions to do midyear equity grants or midyear bonuses for a group of people?
11:40:18 A. I'm aware of a situation where Intuit changed its process on equity and did equity grants at midyear. I'm not aware of any situations where midyear bonuses were granted to anyone.
11:40:29 Q. Okay. What was the midyear equity grant?
11:40:34 A. I think it was in 2008. I'm not sure on the year. I think it was in 2008, a decision was made to shift the equity grants from the normal time period of July or August to February.
11:40:51 Q. So that wasn't an additional grant in that cycle; it was just changing the time period of that grant?
11:40:58 A. That's correct. It just shifted the time frame.
11:40:59 Q. And are you aware of any groups of employees being identified to receive additional equity grants outside the normal cycle?
11:41:07 A. Yes. I'm aware of some situations where that's been done.

11:41:11 Q. Okay. And describe those.
11:41:12 A. They'd be situations, oh, kind of like I
11:41:14 described before from a retention perspective. If
11:41:16 we saw attrition with a group of employees or a
11:41:19 certain skill set and we were concerned about
11:41:21 that, we'd use proactive equity grants with others
11:41:24 that we're seeing this top talent to try to incent
11:41:28 them to stay or use as another retention tool.
11:41:32 Q. Is that something that you've seen
11:41:34 happen going back to the 2005 time period?
11:41:40 A. I don't recall it happening -- it's not
11:41:42 something that happens very often inside the
11:41:43 organization. I can think of one situation where
11:41:45 it happened -- where it's happened, and that was
11:41:48 more recent.
11:41:49 Q. Okay. What was that situation?
11:41:50 A. It was with our marketing organization
11:41:52 where we were seeing slightly higher attrition in
11:41:55 marketing and were concerned about it, and so we
11:41:57 had the managers identify specific employees that
11:42:00 they saw as being key for them, and manager
11:42:04 discretion to nominate or recognize them, and a
11:42:06 small group were given some additional grants.
11:42:19 Q. And do you know, were these employees
11:42:20 that had threatened to leave?

11:42:25 A. I don't know. It was a proactive move taken by the marketing leader, and the -- and the staff across the marketing organization, in looking at key skills, and trying to send them a strong message about how we valued them.

11:42:45 Q. And you said that happened more recently, this past year, two years ago?

11:42:50 A. Within the last year.

11:42:51 Q. Okay. And do you recall other situations happening before that?

11:42:56 A. I don't recall other situations like that.

11:43:01 Q. Is it possible that they happened but you don't know? Is that --

11:43:05 A. Sure, it's possible.

11:43:30 Q. Are there any other strategies that you're aware Intuit has used to proactively retain key talent?

11:43:40 A. Yes.

11:43:41 Q. And can you describe those that are compensation-based?

11:43:46 A. Most of the others would not be compensation-based.

11:43:49 Q. Okay. Are those more work assignment-based?

11:52:00 table inside that system and how values were set.
11:52:02 So it's a screen shot of PeopleSoft.
11:52:05 Q. Okay.
11:52:05 A. So this document on its own could never
11:52:08 have been produced by itself just based on it
11:52:10 being a collection of different things.
11:52:11 Q. Okay. On that nine blocker control
11:52:17 section --
11:52:17 A. Yes.
11:52:17 Q. -- can you just walk me through what the
11:52:19 different columns are?
11:52:28 A. I'll try.
11:52:29 So the first piece is just a value
11:52:31 that's kind of used behind the scenes to connect
11:52:35 based on a certain set of employee circumstances
11:52:37 what parameters or what values would show up in a
11:52:40 calculation that's done within the system. So
11:52:42 it's just a value that's attached.
11:52:46 So the group values -- based on a group
11:52:49 value, it attaches to different things here. The
11:52:51 group value essentially attaches to a combination
11:52:53 of a performance rating and a retention rating for
11:52:56 an employee.
11:52:59 The eligibility, I don't recall exactly
11:53:01 what O meant in the system. T is -- was targeted.

11:53:05 It just kind of drove, again, what was there from
11:53:08 an equity perspective if someone would be
11:53:10 participating in the program or not.
11:53:12 The multiplier was a multiplier off of a
11:53:15 base and how we scale grants to increase the
11:53:19 grants for higher performance and higher retention
11:53:21 employees.
11:53:22 Then the next two columns were
11:53:24 guidelines around shares and just kind of a base
11:53:27 set of guidelines of what we would expect someone
11:53:31 to get in those -- those criteria.
11:53:36 Q. Okay. I'm not sure if the page that
11:53:42 follows is an excerpt from the very last page or
11:53:48 these are different things.
11:53:51 A. It's similar to what's on the very last
11:53:53 page, and so it may have been -- it may have been
11:53:56 part of a working product to get to what would end
11:53:59 up on that last page. So it's from an Excel file
11:54:02 and it was essentially a way to build or manage
11:54:05 the targets that got put back into the control
11:54:07 table, the nine block control table.
11:54:10 This would be the basis for having --
11:54:12 having an input document to put those -- those
11:54:16 values into the system. And then the last page,
11:54:19 the last page is a set of guidelines for what we

11:54:22 would expect as focal equity targets for different
11:54:27 levels of employees, different compensation
11:54:29 levels, and then the groups here tie back to those
11:54:32 groups from the control table. This is a document
11:54:38 that was used to build the system or to structure
11:54:40 values in the system.
11:54:41 Q. Okay. So if you were to take -- under
11:54:53 the position where it says VP, we'll do the top
11:54:56 line.
11:54:58 A. Okay.
11:54:58 Q. 300,000 plus, what is the 20,000 there?
11:55:01 Is that a guideline for the equity grant?
11:55:04 A. A target number of stock options that
11:55:06 would be granted.
11:55:07 Q. Okay. And going over to that middle
11:55:10 column where it's I guess California/Massachusetts
11:55:14 locations; is that fair?
11:55:16 A. Yes.
11:55:16 Q. Are the groups corresponding to ratings
11:55:20 people are receiving or something different?
11:55:22 A. The groups correspond to the combination
11:55:24 of a performance rating and a retention rating.
11:55:34 Q. So if I'm trying to read that -- that VP
11:55:37 level at 300,000, is the guideline that if they
11:55:42 are rated a two level, the stock grant would be

11:55:48 33,000 as opposed to 20,000?
11:55:50 A. Yes.
11:55:51 Q. Okay.
11:55:52 A. That's correct.
11:56:38 Q. Mr. Stubblefield, the document placed in front of you should have a number in the front, Exhibit 1761.
11:56:44 Do you see that?
11:56:44 A. Yes.
11:56:47 Q. If you'll open to the next page of it, it starts what appears to be a PowerPoint, or something like that, a presentation of some sort.
11:56:58 Do you recognize what this is?
11:57:01 A. So in looking at the presentation, I'm familiar with it. I don't remember the -- I don't know the exact context of how this was used.
11:57:09 Q. If you look on the second page, there are page numbers in the lower left corner.
11:57:16 A. Yes.
11:57:16 Q. Might be helpful.
11:57:18 You'll see that there is a date in the middle where it says January 7, 2005.
11:57:22 Do you see that?
11:57:23 A. Yes.
11:57:24 Q. And do you know in this time period who

11:57:26 would have created this document?
11:57:29 A. I -- I don't know for sure who would
11:57:31 have created it.
11:57:32 Q. This would have come out of the
11:57:34 compensation area presumably; is that correct?
11:57:36 A. Yes. Probably.
11:57:53 Q. If you could go to page 12 of the
11:57:56 document. Do you recognize what this is?
11:58:04 A. Yes.
11:58:05 Q. And what is this?
11:58:07 A. Within Intuit, we provided market
11:58:10 reference data to our employees. We were talking
11:58:12 earlier about the survey data and how we collect
11:58:15 that, so we provide that market reference data.
11:58:17 This is a screen shot of an internal tool, a quick
11:58:22 base that we use that provides that data or
11:58:25 displays that data back for our leaders so that
11:58:28 they can use it as a reference point.
11:58:30 It's structured by job code, so you see
11:58:33 job codes listed down at the bottom. Then it
11:58:35 shows three different columns on base pay and then
11:58:38 three different columns right -- on the left side
11:58:41 and on the far right, three different columns
11:58:44 around total target cash, as well as in the middle
11:58:46 showing the incentive eligibility they have inside

11:58:48 of Intuit and what our typical target incentive is
11:58:52 for the role.
11:59:00 Q. Is the total target cash column
11:59:02 including any equity, or is that purely the base
11:59:07 plus bonus?
11:59:07 A. It's purely base plus bonus.
11:59:12 Q. And was this tool primarily used to
11:59:15 provide job offers to external candidates, or was
11:59:18 it used for other reasons too?
11:59:21 A. This tool is a resource to help managers
11:59:24 understand external market perspective and would
11:59:26 be used -- could be used as a tool for them to
11:59:29 help in a reference point in making an offer,
11:59:32 would be used as a reference point in making
11:59:34 annual pay decisions as well.
11:59:50 Q. Is there a tool that shows a manager
11:59:52 what the internal pay is, the high-low for
11:59:58 different jobs?
11:59:59 A. The compensation team does not provide a
12:00:01 tool like that.
12:00:04 Q. Do managers have access to what their
12:00:07 employees are making that they can look at?
12:00:09 A. Managers have access to what their own
12:00:11 employees make.
12:00:21 Q. If you could please turn to page 18.

And it should say "Development Bands: Job Progression on a Career Track."

Is that what you're looking at?

A. Yes, it is.

Q. Can you explain what this is?

A. Intuit uses the idea of development bands to help from a learning and development perspective. There are five bands inside the company. They are described on the left side.

Each job that we have fits into a band, and so this is just trying to display how, as you move up in the organization or move through different levels of jobs, the -- that does move through our band structure, and also kind of the expectation of the scope, a little bit about the scope and expectation of what would go with those differences in bands.

So it was a way -- an attempt and a way to illustrate how someone could grow in their career with the company across different job family or different jobs.

Q. And is the expectation that as one moves up in different job families, that there'll be increased opportunity for compensation?

A. I think most people have that

expectation. And I -- this doesn't necessarily show that there's always progression across levels across our bands because there's some overlap across them. But, yeah, most people would have an expectation that compensation would grow as they move up in the more senior level roles. This does not define a compensation structure.

Q. If you to go to page 20, please.

So this has at the top how Intuit makes decisions about job and compensation. That is what you're looking at?

A. Yes.

Q. Can you walk me through this process that's described called leveling?

A. Sure.

So we have -- we have defined levels inside the organization. Jobs fit into levels. We are able to take those and connect them back to the surveys like the Radford Survey. So our levels are not identical to Radford's, but we have our own expectations of the differences in the job levels.

And different numbers of levels get used in different job families based on business needs. But we use that to get some level -- some

12:03:05 consistency across the organization.

12:03:08 We provide that as a basic piece of infrastructure that would help leaders have access to that external market data. So when they're choosing to hire, open a position or promote someone into a role, it gets grounded in that level first and that gives you access to a set of data.

12:03:29 Q. And number 3 says "Target mix based on Intuit benchmark profile."

12:03:36 What is the Intuit benchmark profile, if you know?

12:03:38 A. So we started calling them Intuit benchmark levels or the Intuit benchmark profile as something that's more consistent inside of the organization versus being someone else's level.

12:03:48 And so we index it in some respect to the surveys that we participate in so that we can match our jobs to those surveys, but it's not exactly the same as their level. So benchmark kind of being the standard.

12:04:05 Q. And then on the right side where it is described as the right compensation management perspective, do you see that?

12:04:15 A. Yes.

12:04:16 Q. The second bullet point says, "Incentive targets consistent by Intuit job," and that's in quotes.
12:04:23 Do you know what that means?
12:04:25 A. Yes. We were -- and I'm going to tie it back to the first bullet a little bit because they are connected in this.
12:04:33 We were using this as a tool to try to help our hiring managers in making decisions in that Intuit has a strong bonus program, funds the bonus program at a significant level in almost every year. We wanted our leaders to focus on that bonus target and bonus opportunity as much if not more than they focused on salary. Because we were seeing some practices previously where they were just looking at salary and not realizing the value of the bonus.
12:04:59 So we wanted to emphasize that the bonus is primary. And because our bonus targets are bigger, you see in the parentheses on the second bullet, our IPI targets are higher than the market on average. We wanted them to remember that if they were make compensation decisions.
12:05:13 The job is that job profile which ties back to kind of -- really ties back to the

12:05:19 benchmark level inside of Intuit. The benchmark
12:05:23 level just defines the bonus target.
12:05:25 Q. Okay. And if you could go to 26,
12:05:35 please. This pay decision guidelines chart, is
12:05:44 this what you would describe as the pay for
12:05:46 performance system, that is the pay increases
12:05:52 based on performance ratings?
12:05:56 A. This was a tool that we gave to try to
12:05:58 assist leaders in making the decisions to reflect
12:06:00 the pay for performance philosophy.
12:06:14 Q. And can you describe for me the -- the
12:06:16 last column to the right, the IPI payout range at
12:06:21 percent of target. What is that reflecting there?
12:06:24 A. The guidelines that were provided based
12:06:26 on the performance levels of how much bonus would
12:06:29 be paid to employees in those performance levels
12:06:33 as a percentage of their target bonus.
12:06:37 Q. And do you know why in a couple boxes
12:06:38 there's more than one range?
12:06:43 A. No.
12:07:01 Q. Page 28 has a slide called "Making Stock
12:07:08 Option Decisions."
12:07:09 Do you see that?
12:07:10 A. Yes.
12:07:10 Q. The second item on this page says

12:07:12 "Retention... 'Risk' Management."
12:07:15 Do you see that?
12:07:16 A. Yes.
12:07:16 Q. You testified a little bit about this
12:07:17 earlier. Is this the process by which different
12:07:23 employees are rated depending on their role,
12:07:26 skill, talent?
12:07:28 A. This is an attempt in one bullet to
12:07:32 capture the essence of the retention ratings --
12:07:36 Q. Okay.
12:07:37 A. -- in that first bullet.
12:07:40 Q. Do you know if this is going to anything
12:07:42 else besides retention ratings? Was there any
12:07:44 other process to identify this high talent that
12:07:46 was independent of those ratings?
12:07:52 A. At different times we've had some
12:07:53 different processes that would have identified it.
12:07:55 Our expectation was that it was captured in the
12:07:58 retention ratings.
12:07:59 Q. And what have been those other processes
12:08:02 that have existed outside of that?
12:08:04 A. There's been different changes in the
12:08:05 business as we've had shifts in technology, focus
12:08:08 on technology that have led to different ways to
12:08:11 think about critical skills or talent.

12:08:14 Q. What would be an example of that?
12:08:16 A. There was a terminology that was used at
12:08:19 one point called cornerstone engineer.
12:08:21 Q. And what did that mean?
12:08:23 A. Thinking like -- thinking like a
12:08:24 building, and the cornerstone is the first block
12:08:27 and the strong block that you build the rest of
12:08:29 your building around and using -- using that as a
12:08:32 identifier for key technical talent that was
12:08:34 critical for the future and the direction that we
12:08:36 were going, again, with the expectation that they
12:08:39 would be captured based on retention ratings,
12:08:41 they'd be retention 1s.
12:08:45 Q. And when the cornerstone engineer
12:08:52 concept was being used, was there a project to go
12:08:56 out and identify who were those key engineers in
12:08:59 the organization?
12:09:01 A. There was an expectation that through
12:09:03 the review processes, that those engineers were
12:09:06 identified by their respective managers. So it
12:09:09 was manager discretion in identifying who that
12:09:12 talent was. There was nothing systematic to do
12:09:16 this. It was managers looking at their own teams
12:09:18 and identifying who they saw as that critical
12:09:20 talent.

12:09:20 Q. So in connection with the regular review process, managers were trained that they should also be thinking about the cornerstone people within their groups?

12:09:28 A. I don't know exactly how we did it specifically.

12:09:33 Q. Was the concept that it would be within the regular review process?

12:09:37 A. Yes. As part of the normal process that they would be identified, and with the focus that they would be retention 1s and they would be getting rewarded in a way that told them they were key.

12:09:53 MS. DERMODY: Should we break for lunch?

12:09:55 MR. KIERNAN: Sure. Yeah. That works.

12:09:57 THE VIDEOGRAPHER: This is the end of Video Number 2. The time is 12:09 p.m. We are going off the record.

12:10:01 (Whereupon, a lunch recess was taken.)

12:10:03 AFTERNOON SESSION

01:04:54 THE VIDEOGRAPHER: This is the beginning of Video Number 3 in the deposition of Mason Stubblefield. The time is 1:04 p.m. We're back on the record.

01:05:12 BY MS. DERMODY:

01:05:14 Q. Mr. Stubblefield, the document placed in front of you was previously marked as Exhibit 1760.
01:05:20 Do you see that?
01:05:20 A. Yes.
01:05:21 Q. And if you could turn the page to the cover of this selection of slides or PowerPoint. Do you recognize this document?
01:05:31 A. I -- I have seen it before. I don't know the specific context of where it was used, but ...
01:05:37 Q. If you look on the second page of the document, again, there's page numbers in the bottom left corner. There's a date in the middle of that page.
01:05:44 Do you see that?
01:05:44 A. Yes.
01:05:47 Q. Do you know at this time period who would have created this document? Would it have been the same people as the document we had marked as 1761?
01:05:55 A. I don't know specifically, but likely the same people.
01:06:00 Q. Was this a presentation that you attended?

01:06:02 A. I'd have to look through more of the document to see.
01:06:05 Q. Sure. Go right ahead.
01:06:07 A. But it is -- it is probably a presentation that I attended.
01:06:16 Yes.
01:06:17 Q. And who was this presented to?
01:06:22 A. Given the date that's on this document, I'm not really sure who it was presented to. So it's a -- it may actually be an earlier version of what ended up as the other exhibit, so it's very similar content. There's some -- potentially some connection between those two.
01:06:38 It was potentially presented within the HR team and probably, you know, potentially presented to managers at some point later. The January date throws me off a bit, because that's earlier than we generally would have done training.
01:06:50 Q. Okay. If you turn to page 6, there's a statement at the top, "Compensation's Guiding Principles."
01:06:59 Do you see that?
01:07:00 A. Yes.
01:07:00 Q. The third bullet point says, "Provide

01:07:02 equitable, competitive compensation opportunities
01:07:05 that attract and retain key talent."
01:07:08 Do you see that?
01:07:08 A. I see that.
01:07:10 Q. Do you know what is intended here by the
01:07:12 "equitable, competitive compensation" that's
01:07:14 described?
01:07:17 A. I don't know specifically what was
01:07:19 intended by that.
01:07:19 Q. Do you have an understanding of what
01:07:20 that means in this context?
01:07:24 A. I have a perspective, my perspective of
01:07:26 about what I think it might be, but I don't know
01:07:28 what was intended when it was written here.
01:07:30 Q. Okay. And what was your perspective?
01:07:33 A. So my perspective in looking at it is --
01:07:35 is, you know -- the intent of finer compensation
01:07:39 principles is to provide appropriate compensation
01:07:43 that's balancing a number of different factors,
01:07:44 one of those being the competitive landscape and
01:07:47 what else is happening in the marketplace.
01:07:51 Q. And where does the concept of equitable
01:07:54 treatment come into play?
01:07:58 A. Equitable is not a word that we use a
01:08:00 lot, actually, so I don't -- it's -- I don't know

01:08:02 the full context of this deck. This may have been
01:08:04 an earlier working product of something that ended
01:08:07 up being in the other exhibit and was language
01:08:10 that evolved over time. We talk much more about
01:08:12 appropriate and talk about return on investment.
01:08:15 Sometimes equitable has different views,
01:08:19 different meanings to different people, and so
01:08:20 it's a word we've generally stayed away from. We
01:08:24 tend to use the word "appropriate" more often.
01:08:26 (Whereupon, Deposition Exhibit 2739
01:08:26 was marked for identification.)
01:09:27 BY MS. DERMODY:
01:09:28 Q. Mr. Stubblefield, the document marked
01:09:29 2739 should have an Intuit number below that,
01:09:32 -43560. Is that what you're looking at?
01:09:35 A. Yes, it is.
01:09:36 Q. And if you take a moment to look at this
01:09:37 document and see if you recognize it.
01:09:42 A. Yes, I do.
01:09:45 Q. And what is this?
01:09:47 A. This was a document that we used to
01:09:50 provide some grounding material, foundational
01:09:54 material around the total rewards and pay
01:09:56 decisions. So used for our -- people in the HR
01:10:00 organization used for new managers in the

01:10:02 organization.
01:10:03 Q. Okay. And if you --
01:10:08 A. And other managers.
01:10:10 Q. Okay. And if you look at -- let's see. A couple pages in, there is a date.
01:10:16 Do you see that, May 2005?
01:10:18 A. Yes.
01:10:19 Q. Okay. And does that indicate to you that this was a document that was created in May of 2005?
01:10:28 A. I don't know. It says that's when it was created. But it's a time frame around when it was used.
01:10:35 Q. And who would have been involved in creating this document?
01:10:39 A. I would need to look more through the document to know specifically who would have been included in it.
01:10:44 Q. Sure. Take your time.
01:10:54 A. It would have been created by various members of the total rewards team. It covers a pretty broad section, really covers the broad base of things from a rewards perspective, so it would have had multiple participants.
01:11:07 Q. Would this have been a group that was

01:11:08 under your supervision at this time?
01:11:12 A. No. It would have been a group under
01:11:15 Mr. Grenier's supervision.
01:11:17 Q. And would this have been a training or a
01:11:20 toolkit that you would have been provided?
01:11:30 A. I would have helped produce this, so
01:11:32 myself or the group I worked with would have --
01:11:35 would have participated in some of the production
01:11:37 of this. As a result of that, I would have had a
01:11:38 copy of it. But the primary audience for it was
01:11:42 other leaders in the organization.
01:12:22 Q. So I apologize. I think on mine I don't
01:12:25 have page numbers. Does yours have page numbers?
01:12:27 A. No, it doesn't.
01:12:28 Q. This is going to be very fun, I can
01:12:29 tell. Okay.
01:12:50 MR. KIERNAN: Each page looks like it
01:12:52 has a different -- almost has a different heading.
01:12:57 BY MS. DERMODY:
01:12:57 Q. So I'm 15 pages into the deck. It says,
01:13:03 "Total Rewards Guiding Principles" at the top
01:13:08 label of the page.
01:13:09 A. Okay.
01:13:10 Q. Do you see that?
01:13:11 A. This one?

01:13:16 Q. There's a list of items here, and the bottom one says, "Internal Equity and Global Consistency."
01:13:23 Do you see that?
01:13:23 A. Yes, I do.
01:13:24 Q. And do you recall conversations about one of the guiding principles of total rewards being internal equity and global consistency?
01:13:37 A. I don't recall conversations about that.
01:13:49 Q. Do you know who would have created this page in this training?
01:13:52 A. I don't know specifically who would have created it, no.
01:13:56 Q. Okay. Turn to the next page. So the 16th page. It says at the top "Compensation Positioning."
01:14:06 Do you see that?
01:14:07 A. Yes.
01:14:07 Q. Then it says in the box that's towards the bottom, "Market research on three levels," and it lists tech software, financial services and local markets.
01:14:18 Do you see that?
01:14:19 A. I do.
01:14:20 Q. We talked a little bit about the market

01:14:21 research earlier.
01:14:25 What was the market research that was
01:14:27 tech software-specific?
01:14:30 A. I'm not sure specifically what the
01:14:32 reference would be in -- in this.
01:14:35 Q. Using this date as a guide post, do you
01:14:38 know what it was generally in 2005?
01:14:42 A. What -- I'm not sure I understand your
01:14:43 question.
01:14:44 Q. What the market research on tech and
01:14:46 software would have been?
01:14:48 A. Probably would have been the Radford
01:14:49 Survey or other -- other salary surveys that we
01:14:52 used, and that would be an industry cut or an
01:14:55 industry view out of that data.
01:14:58 Q. Okay. Cut by tech software?
01:15:00 A. Yes.
01:15:03 Q. And then for financial services, do you
01:15:06 know what market research would have been used in
01:15:10 this time frame?
01:15:12 A. I'm not sure what that would have been.
01:15:15 Q. Okay. And the reference to local
01:15:17 markets, do you know what that market research
01:15:20 would be?
01:15:20 A. I'm not sure specifically what it refers

01:15:22 to here. When we talked about salary surveys
01:15:24 earlier, we talked about the regional cuts that we
01:15:27 look at for the geographic basis. It may be a
01:15:31 reference to that.
01:15:44 Q. I'm going to try to use as little of
01:15:47 this document as possible because it's really hard
01:15:48 to use without page numbers, so bear with me. A
01:15:53 lot of it is material I believe used in other
01:15:56 documents we're looking at.
01:16:06 Okay. Of course. So about halfway
01:16:10 through the document, there is a page that says
01:16:13 "New Hire Guidelines" and it's a chart.
01:16:28 A. Okay. I think I'm close.
01:16:43 Q. That is exactly the chart, yes. Thank
01:16:46 you.
01:16:46 A. Okay.
01:16:47 Q. Can you describe for me what this
01:16:48 reflects?
01:16:52 A. This reflects the guidelines that were
01:16:55 provided for stock option grants for new hires.
01:16:59 It describes different salary levels which would
01:17:02 get to different groupings of employees across the
01:17:05 company and different categories around
01:17:08 eligibility for equity.
01:17:11 Q. And this snapshot of the new hire

guidelines, is that something that is lifted from an internal database, or was this created just for this training as an exemplar?

A. The guidelines would not be created in a database. The guidelines would be created from a program or a practice perspective. They'd be stored in documents like a document that's probably behind this, and this is just a display of that. So there's -- somewhere there's a reference document that was the new hire guidelines, probably in an Excel file or a PowerPoint file, and this is just a snapshot of that, or a picture of it.

Q. And the new hire guidelines would include different job codes, different positions?

A. This is based on a different -- this is based on a different model. And so this is using salary level as a primary guide, and then the split between the two things. So we looked at a chart earlier that showed our bands. One of those bands is kind of -- is leaders in expert -- leaders and expert contributors. That LEC band that describes a group of positions.

And then -- and it separates out engineers and IT individual contributors at the

01:18:36 top with a higher level of guidelines than others.
01:18:39 So there's a little bit of a split but primarily
01:18:42 using salary as a split.
01:18:44 Q. And, again, this is used for equity; is
01:18:46 that right?
01:18:47 A. For stock option.
01:19:11 Q. If you could turn to the page that has
01:19:13 at the top, "What Is Banding?"
01:19:18 A. Okay.
01:19:29 Q. Let the team catch up.
01:19:32 MR. KIERNAN: I'm there.
01:19:33 MS. DERMODY: It's a hard document to
01:19:34 use. I apologize. It's how it came in the
01:19:36 system, so we'll do our best.
01:19:39 Q. Do you recognize what the material is on
01:19:40 this page?
01:19:46 A. Yes.
01:19:48 Q. And is this describing how you associate
01:19:53 similar jobs within a family?
01:19:59 A. It's not as much similar jobs within a
01:20:01 family as it is similar levels of jobs across the
01:20:04 whole organization. So this ties back to the
01:20:07 bands I just mentioned. So the leadership, leader
01:20:10 expert contributor is one of those as a band, one
01:20:13 of the five bands in the organization. This is

01:20:14 trying to define what those bands are.

01:20:18 Q. At the bottom of this page there is a
01:20:21 statement or a caption that says, "Common base of
01:20:26 job summaries and PS-8 titles and bands."

01:20:31 Do you see that?

01:20:31 A. I do.

01:20:32 Q. Do you know what that means?

01:20:33 A. No, I don't.

01:20:36 Q. Do you know what the PS-8 titles and
01:20:39 bands reference is?

01:20:45 A. I have a guess of what it is. I think
01:20:46 PS8 refers to PeopleSoft 8, which was the HR
01:20:51 database that we used at the time and it was a
01:20:53 version of software. And the title there is a
01:20:56 title that's attached to a job code and how it
01:20:58 would be displayed in a system.

01:21:00 We've consistently kept a distinction
01:21:03 between a systems title and a business card title
01:21:06 and not trying to control business card titles and
01:21:08 let individuals choose what they want, with their
01:21:12 leader's discretion.

01:21:26 Q. If I could trouble you to please turn to
01:21:28 the page that says "A Ranking Tool to Help the
01:21:31 Rationale and Clarity."

01:21:35 A. Okay.

01:22:04 Okay.
01:22:05 Q. Okay. Can you describe what's being
01:22:14 represented on this page?
01:22:19 A. I'm not sure I could describe
01:22:21 specifically what this was trying to illustrate.
01:22:26 Q. It lists as item A, performance, and an
01:22:30 item B, retention.
01:22:31 Do you see that?
01:22:32 A. Yes.
01:22:32 Q. And then it has a C, which is pay
01:22:35 disparities, evaluate exposure, and has a list
01:22:39 below it. Same job, performance, skills, et
01:22:42 cetera. Is it defensible?
01:22:44 Do you see that?
01:22:44 A. I do see that.
01:22:45 Q. Do you recall any training around
01:22:47 looking at pay disparities to evaluate exposure?
01:22:51 A. No. I think from a context perspective,
01:22:53 you have to take this page and look at the page
01:22:56 prior to it.
01:22:56 Q. Sure.
01:22:57 A. So the page prior to it is talking about
01:22:59 processes or tools to help leaders in evaluating
01:23:03 decisions or making decisions. And it's about
01:23:04 calibrations across an organization. So

calibrating on performance, calibrating on retention, looking at the population by similar positions.

So it's not appropriate to put an admin and an executive in the same group and calibrate. So getting groups together that way, using ranking tools, which this shows a way to think about ranking. So using those ranking tools just as ways to think about the calibration and get the population into segments.

This second page we went to first on its own has no context.

Q. Looking at the page before where it says "Assess and Calibrate Across Organization," one of the items on this page says, "Mitigate Legal Risks."

Do you see that?

A. Yes, I do see that.

Q. And is that advising managers to be aware of treating people with the same talent and performance differently depending on EEO characteristics or things like that?

A. I don't know specifically what it meant here.

Q. What's your understanding of what that

01:24:03 means?

01:24:04 A. Like I said, I don't know specifically
01:24:05 what it meant here, but the example that you
01:24:08 provided would be a likely scenario of things that
01:24:11 we would want managers to be looking at. Managers
01:24:16 don't have access to all that information. Some
01:24:18 managers don't know all the EEOC data behind an
01:24:21 individual. So they are really looking at based
01:24:23 on performance and retention more than anything
01:24:25 else.

01:24:26 Q. And is there a separate level review,
01:24:28 maybe part of your audit or the compensation
01:24:31 group's audit, of recommended merit increases
01:24:34 where there is some consideration paid to fairness
01:24:38 based on EEO characteristics or things like that?

01:24:41 A. No.

01:24:44 Q. How do you train managers to do what
01:24:48 item C instructs about evaluating exposure in
01:24:53 determining whether it's defensible?

01:24:56 A. We train managers to focus on
01:24:58 performance and making pay decisions based on
01:25:02 performance.

01:25:04 Q. And the prior slide which says to
01:25:05 mitigate legal exposure, how do you train managers
01:25:08 to do that?

01:25:09 A. Like I said, I'm not sure what the context was for this on this slide or this page. We train managers to focus on performance and to make their decisions based on performance.

01:25:18 Q. Do you have training that's focused on EEO issues?

01:25:21 MR. KIERNAN: Object to form.

01:25:28 THE WITNESS: Intuit requires that leaders go through certain training from a legal perspective on a regular basis, so we do have training in a number of different areas.

01:25:39 BY MS. DERMODY:

01:25:40 Q. And do you have a training that's focused on managing diversity or diverse people?

01:25:46 A. We do.

01:25:46 Q. And is part of that training focused on ensuring that there is fairness of treatment across different demographic groups?

01:25:59 A. The training focuses on managing diversity, focused on inclusion within the workplace.

01:26:05 Q. Is there a training that focuses on paying people that have similar talent and similar performance the same inclusive of different demographic groups?

01:26:15 A. We don't have any training that focuses on paying anybody the same. All of our focus on training on compensation is paying for performance, and appropriate pay for the person, the skills they bring, and the contribution that they bring. We specifically train not to focus on internal equity in paying people the same.

01:26:32 Q. But assuming that you have two people that have the same skill level and are giving the same performance, is the expectation that their pay would be the same?

01:26:43 MR. KIERNAN: Object to form.

01:26:44 THE WITNESS: No.

01:26:45 BY MS. DERMODY:

01:26:45 Q. What would be the distinction between those two people?

01:26:49 A. There could be a number of different factors that could drive a distinction. We would expect them to be paid comparably or similarly, but we wouldn't expect them to be paid the same.

01:26:58 Q. And what might distinguish them in that hypothetical?

01:27:01 A. Could be background and experience, could be prior roles, could be a number of different factors of things that they brought with

them to the role that the manager believes drives the different value for them today.
Q. So if they -- if one of them had more tenure with the company, more knowledge of the job, for example, that would be a distinction?
A. We don't focus on tenure with the company as a factor. So someone might have come in with a different background or different experience an individual manager sees as having a different value. It's the manager's discretion in that case. So not something that the company specifically is looking for that should say they should be paid the same.
Q. And if the hypothetical is that the people come in straight out of college, same experience, same performance, would the expectation be that they would be paid the same?
MR. KIERNAN: Object to form.
THE WITNESS: The -- the one area where we have more consistency in pay is with new grads, because they generally have no work experience. And so fairly typical practice is to pay them roughly the same. It starts to differentiate as they have differences in performance.
We don't expect everyone in the same

01:28:11 performance rating to get the same merit every
01:28:14 year. We expect differentiation inside of that.
01:28:19 They would probably be paid similarly but not
01:28:20 exactly the same.
01:28:26 Done with this one?
01:28:27 BY MS. DERMODY:
01:28:28 Q. Yes. I know, that was so much fun.
01:28:33 We'll probably do better with the numbering.
01:30:00 (Whereupon, Deposition Exhibit 2740
01:30:00 was marked for identification.)
01:30:14 BY MS. DERMODY:
01:30:14 Q. Mr. Stubblefield, the document marked as
01:30:17 2740 should have a number on the front, INTUIT
01:30:19 -52841.
01:30:22 Do you see that?
01:30:22 A. Yes, I do.
01:30:23 Q. If you could turn to the next page,
01:30:25 there's a title page. And feel free to look
01:30:31 through the document.
01:30:32 Do you recognize seeing this before?
01:30:33 A. Yes, I do.
01:30:34 Q. Okay. Was this training that you
01:30:37 attended?
01:30:40 A. Yes.
01:30:41 Q. And did you participate in creating the

01:30:43 content for this document?
01:30:46 A. Yes, I did.
01:30:49 Q. And what was your role?
01:30:52 A. I would have contributed to different portions of it. So just based on the responsibility I had for the focal decision process, I would have contributed to some of this, some of the content.
01:31:03 Q. Okay.
01:31:07 A. I also would have presented the content.
01:31:11 Q. And who would have received this training?
01:31:15 A. This was specifically focused on level 2 and level 3 leaders, managers within the organization.
01:31:21 Q. And for someone who is not versed in the Intuit vocabulary, what does that mean?
01:31:27 A. In this context, level 1 is the CEO, level 2 is his direct reports, level 3 is their direct reports.
01:31:45 Q. So at this time, were you considered a level 3 manager?
01:31:51 A. No. At this time I would have been level 4 within the organization.
01:31:55 Q. So is Mr. Grenier a level 3 at this

time?

A. Yes.

Q. If you turn to page 15 of the document, it should have a caption at the top that says, "6 Steps In Making an Effective Pay Decision."

Do you see that?

A. Yes.

Q. And step 1 says "Gather Information..."

Do you see that?

A. Yes.

Q. And it gives a set of examples. "Employee performance history, budget, and any other available and relevant pay information" and has in parentheses, "(internal relativities, market data," et cetera.

Do you see that?

A. Yes.

Q. What are internal relativities?

A. In this case, I think it would be them looking at the pay of their own team, so how they pay other individuals.

Q. And for what purpose would that be?

A. Piece of data. It's an input. Like the others, like market data, like hiring -- information they are getting from hiring processes

01:33:15 or just anecdotal things they are hearing about
01:33:18 what may be happening in the marketplace.
01:33:20 Q. Would that be akin to an internal
01:33:22 benchmark?
01:33:23 A. Benchmark is probably broad. It's a
01:33:27 data point.
01:33:34 Q. Then step 2 where it says "Assess value,
01:33:37 supply and demand," do you see that?
01:33:39 A. Yes.
01:33:39 Q. The underlying sentence says, "Rank
01:33:41 employees by performance, retention and pay
01:33:43 equity."
01:33:44 Do you see that?
01:33:44 A. I do see that.
01:33:45 Q. And what does that mean?
01:33:49 A. I think it refers back to the page we
01:33:51 were -- two pages we were looking at on the other
01:33:53 document on the calibration process, looking at
01:33:56 employees and calibrating across decisions with
01:33:59 the intent to recognize that we're paying for
01:34:02 performance.
01:34:03 Q. And by "calibrating decisions," does
01:34:05 that mean that you're linking equivalent
01:34:09 performance to similar pay decisions?
01:34:20 A. No. It's looking to make sure there's

01:34:22 alignment between performance and pay decisions.
01:34:25 It's not trying to get to the same decisions.
01:34:27 Q. Okay. What is pay equity as referenced
01:34:31 here?
01:34:31 A. It's looking for that -- I think it's
01:34:33 looking for that relationship between pay and
01:34:36 performance in that your highest performing
01:34:38 employee should likely be one of your highest paid
01:34:42 employees.
01:34:46 Q. And what was the ranking process that
01:34:49 happened?
01:34:51 A. I couldn't say specifically what
01:34:53 processes were used. If you go back to the other
01:34:55 document where it had a tool, that the page we
01:34:57 started looking at that had the two charts, the
01:35:00 three different levels in it, that was a
01:35:02 suggestion as a way to think about ranking,
01:35:04 ranking by performance and by retention.
01:35:07 Q. Can you tell me which document you're
01:35:08 talking about?
01:35:09 A. Sorry. That was the one that's labeled
01:35:11 2739.
01:35:31 Q. Oh, the page that had those boxes?
01:35:35 A. Yes.
01:35:35 Q. So you're looking at before what was

01:35:37 called ranking tool to help with rationale and
01:35:40 clarity?
01:35:41 A. Yes. So that with the page in front of
01:35:42 it on calibration.
01:35:53 MR. KIERNAN: Kelly, if it's helpful,
01:35:55 it's also in this -- it's also in the current
01:35:58 exhibit.
01:35:59 MS. DERMODY: Oh, please tell me where.
01:36:00 That would be much --
01:36:02 MR. KIERNAN: 2740. And it has page
01:36:03 numbers. So it's page 20 and 21.
01:36:10 MS. DERMODY: Bless you, Mr. Kiernan.
01:36:16 MR. KIERNAN: I don't want to go back to
01:36:18 that other document because of the length.
01:36:20 MS. DERMODY: Yes. Yes. Hard to use.
01:36:21 Great.
01:36:22 Q. So in Exhibit 2740 on page 21, is this
01:36:27 the chart that you were referencing?
01:36:33 A. Yes.
01:36:33 Q. And how does the ranking work using this
01:36:35 chart on page 21?
01:36:41 A. This was intended to be -- there's a
01:36:43 tool to help leaders in comparing decisions,
01:36:45 evaluating their decisions to make sure that they
01:36:47 are rewarding performance appropriately. There

wasn't a systematic ranking process across the organization, so individual managers would choose to use -- could choose to use this or not.

Q. And was the concept that if you had listed here 30 employees, you would attempt to break into 1, 2 and 3, those 30 employees, with at least the top group being 1 and the bottom group being 3?

A. If I understand your question, I think so. So if you just put them in broad categories, yes. Yeah.

Q. Okay. If you turn to page 23, there's a page that's called "Actions that Raise Eyebrows."

A. Yes.

Q. And it says in the very first bullet, "Exceptions, multiple actions... the right rationale."

Do you see that?

A. Yes.

Q. And what is your understanding of what that means?

A. As managers are making decisions in this process, there's -- there's a number of decisions that they can make.

We provide guidelines or recommendations

of what merit increases would look like for different levels of performance. An exception would be something that falls outside of those guidelines. Either too high or too low. That's going to attract attention. The idea or raising eyebrows, we're going to look at those to make sure that there's a reasonable explanation for it. And there many times is a plausible reason why something should happen outside of our guidelines.

The multiple actions refers to a couple of things in that it -- during this time period, we had the opportunity for managers to make a decision to do a merit increase in a merit lump sum. The merit lump sum is a bonus instead of increasing the pay. The combination of a merit increase and a merit lump sum doesn't make much sense. So it would be things like that if you're doing things that felt inconsistent.

It's also probably looking at just kind the broader decisions of a merit increase and a promotional increase for someone or an adjustment for someone, and what's the combination of those activities and do they all make sense based on performance and contributions of the employee.

Q. Okay. On page 33, there is a caption at

01:39:19 the top, "A Reminder...Role of Manager - New
01:39:22 Hires."
01:39:23 Do you see that?
01:39:24 A. Yes. Yes.
01:39:26 Q. And then it says under the first --
01:39:30 under the bullet, "Pivotal in the Process," the
01:39:34 first bullet, "Recommend grants based on
01:39:36 competitive market needs case-by-case... however,
01:39:38 always initiate offers from the lower end of
01:39:41 guidelines."
01:39:42 A. Yes.
01:39:42 Q. Do you see that?
01:39:43 A. Yes.
01:39:43 Q. And what is this about? Do you know?
01:39:46 A. So this is specifically referring to the
01:39:48 role of a new hire, or a manager of a new hire so
01:39:51 when we were hiring someone into the organization,
01:39:53 we had made a shift around this time period of
01:39:55 moving away from granting stock options to
01:39:58 everyone that we hired to becoming more selective.
01:40:01 We looked in one of the exhibits earlier
01:40:04 of the new hire guidelines on equity. So this
01:40:07 would be referring to using -- using equity only
01:40:10 where you need it, so not assuming anymore that
01:40:12 everyone is going to get equity just because they

01:41:31 Do you see that?
01:41:31 A. Yes.
01:41:32 Q. And where do those status items come
01:41:36 from? Who was the decision maker?
01:41:39 A. It's -- it's a status from a process
01:41:42 perspective, not from a decision perspective. So
01:41:45 this whole section of material was training
01:41:48 material on using the system. And this is trying
01:41:51 to help managers understand how to navigate within
01:41:55 the system.
01:41:56 Where you see the statuses labeled, over
01:41:59 on the far left column, you'll also see a thing, a
01:42:01 label. If it's there it says "down org" or it's
01:42:04 blank. When it says "down org," it means that the
01:42:08 name next to it has subordinate employees.
01:42:11 And the "submitted," "rejected,"
01:42:13 "pending" or "accepted" tells you the status of
01:42:16 the decisions below them. So had they been
01:42:19 accepted -- have they been submitted by that
01:42:21 manager; were they submitted and then rejected by
01:42:24 the more senior level manager; are they still in
01:42:27 process, which would be pending; or have they been
01:42:29 submitted and were approved and accepted by the
01:42:31 more senior manager.
01:42:36 Q. And then let's just take an example

here. Blue Sky is one of the -- the names listed. There's a performance rating of 3 and a retention code of 1 and a base salary with a 10 percent raise. The rejected that's listed here, your understanding is that's not that that recommendation right there is rejected?

A. It has nothing to do with that recommendation at all. It's all about the decisions that Blue Sky made for the employees below Blue Sky. And this is just made up data that we use for training purposes. This is not real data.

Q. There isn't a Blue Sky?

A. There might be. But all the numbers, everything else is just made up for demonstration purposes.

Q. Okay. If you turn to 45, please.

A. Mh-hmm.

Q. It should say, "Recommend a Merit Increase - Salaried Employee."

Do you see that?

A. Yes.

Q. Is this another tool that's available online for managers to come up with a proposed salary recommendation?

01:44:02 A. This is part of the same tool, so this is still part of the instructions for a manager on how to use the system.

01:44:10 Q. And on this representation you'll see within the chart under 1.B, "Merit Increase, Increase Range: Min 5.0% Max 10.0 %."

01:44:23 Do you see that?

01:44:24 A. Yes.

01:44:24 Q. Was that typically provided within this tool for the merit increase decisions?

01:44:32 A. This tool provided that reference information based on a performance rating.

01:44:37 Q. So there would be a performance rating, and then that would generate that recommendation?

01:44:46 A. Yes. Yeah. So in one of the earlier documents, we looked at some things that were labeled as control tables. This is where control table values come back out. Based on a combination of values, this is what got displayed.

01:44:57 So this process started -- if we go back to the earlier pieces of this section, the process starts with entering a performance rating, and then based on the performance rating, it gives you the guidelines that were set up for the merit increase based on that performance.

01:46:42 Q. What does that mean?
01:46:43 A. This ties right back to that control table we looked at earlier. We looked at one of the earlier documents where you had questions about the grids in the charts in the table. It had the group numbers that was the combination of performance rating and retention code that drives the eligibility or the recommendation from a stock option perspective.
01:47:00 Q. So when you were talking about, in a previous slide, there being -- I think it was just the cover page of this, the level 2 and 3 managers, is that different than the group number 2, 3 or 4?
01:47:16 A. Very, very different.
01:47:18 Q. Okay.
01:47:18 A. Yes.
01:47:20 Q. So the group number 2, 3 or 4, could that cut across anyone in the organization?
01:47:24 A. The group number did, you know, does cut across -- did cut across anyone in the organization, everyone in the organization. It was based on their individual performance rating, their individual retention rating. That combination would always give you the same group

01:47:37 number to identify where an employee would fit
01:47:40 against our guidelines, but not the same as
01:47:42 levels.
01:47:42 Q. Okay. And if you could please go to 64.
01:47:52 It should say "Stock Tool - Recommend Options."
01:47:55 Do you see that?
01:47:55 A. Yes.
01:47:56 Q. And then it has on the right side,
01:47:58 "Stock Modeling" and has performance rating and
01:48:02 retention code, I guess drop downs.
01:48:08 Do you see that?
01:48:08 A. Yes.
01:48:09 Q. Is this a tool where a manager can
01:48:10 insert what the rating was for a particular
01:48:13 employee and what her retention code was and then
01:48:18 press calculate to come up with a recommended
01:48:21 guideline for stock?
01:48:22 A. Yes. It was a way for the manager to
01:48:25 model if the performance rating was different,
01:48:28 what would it do to equity. One of the challenges
01:48:30 we had in the organization was we have employees
01:48:32 that get promoted during the year. When they get
01:48:35 promoted and they move into a new-level job,
01:48:38 sometimes their -- most times their performance
01:48:40 changes. They might have been outstanding before.

01:48:43 Now they are strong. Where they might have been a
01:48:44 1, now they're a 2. Against the ratings that were
01:48:46 used at this point, this gave them a way to look
01:48:48 at what would their equity have been if they had
01:48:52 still been rated at a higher level.
01:48:55 Q. Okay.
01:48:55 (Whereupon, Deposition Exhibit 2741
01:48:55 was marked for identification.)
01:49:28 BY MS. DERMODY:
01:49:29 Q. Mr. Stubblefield, the document marked as
01:49:32 2741 should have that Intuit number -53146.
01:49:36 Do you see that?
01:49:37 A. Yes, I do.
01:49:39 Q. And is this an e-mail to you from -- is
01:49:42 it Ms. Grafil?
01:49:43 A. Yes.
01:49:48 Q. And do you recall there being a
01:49:51 discussion with Ms. Grafil about competitive
01:49:53 salary for strategy positions?
01:49:58 A. I don't recall a specific conversation.
01:50:01 Q. If you look through the document, does
01:50:03 it refresh your recollection about this exchange
01:50:07 you were having with her?
01:50:15 A. This was seven years ago. I don't
01:50:18 recall the specific conversation.

Q. Do you have an understanding of what the attachments are reflecting?

A. It's reflecting two things. So on the what I guess I would think of as page 2 in this, so the page that says, "Intuit strategy positions," this is a list of the positions that Intuit had for those roles.

So the titles, the job codes listed next to those, the salary range guidelines, this is really not a salary range guideline. It's the market reference data. Intuit does not have salary ranges. So this would be polling from a quick base in the market reference data that we have, shows the IPI target that's attached to the job, what that would look like from a total comp perspective, what we would typically provide as stock options for someone coming into the organization in that role, and then the last column is a reference to how they have budgeted for the positions.

The third page is some data that she had collected from outside conversations with her recruiting firm on how some of the organizations that we might be recruiting from were paying similar positions.

01:55:06 the cover page INTUIT -54116.
01:55:10 Do you see that?
01:55:10 A. Yes.
01:55:13 Q. And if you look through this document, do you recognize what this is?
01:55:17 A. Yes.
01:55:18 Q. And what is this?
01:55:20 A. This is new hire stock -- stock guidelines.
01:55:24 Q. Similar to what we've looked at before?
01:55:26 A. Similar to what we've looked at before, this is specific to fiscal year '7.
01:55:30 Q. Okay. And did you have guidelines like this every year?
01:55:33 A. Yes.
01:55:33 (Whereupon, Deposition Exhibit 2743 was marked for identification.)
01:56:37 BY MS. DERMODY:
01:56:37 Q. Mr. Stubblefield, the document marked as 2743 should have INTUIT -41933 in the front.
01:56:43 Do you see that?
01:56:44 A. Yes.
01:56:47 Q. Is this an e-mail from Ms. Hall to several people CC'ing you?
01:56:53 A. Yes.

01:56:57 Q. And do you recall having a discussion
01:56:58 about the program manager job family?
01:57:09 A. Yes.
01:57:09 Q. And what was that about?
01:57:16 A. Essentially came down to some questions
01:57:18 about how the program management job family was
01:57:20 being viewed inside the company and whether or not
01:57:22 they were product development jobs or -- you know,
01:57:25 if they were product development jobs.
01:57:37 Q. And as indicated in the middle of the
01:57:39 first page under "Offering Program Manager Job
01:57:42 Profiles," that paragraph says in the middle:
01:57:47 "After some competitive
01:57:49 analysis and cleanup to better
01:57:52 distinguish manager roles from
01:57:53 individual contributor roles,
01:57:55 these jobs, along with many
01:57:56 others, were moved to an
01:57:57 individual contributor category
01:57:58 for equity calculations in 2008."
01:58:01 Do you see that?
01:58:02 A. Yes.
01:58:02 Q. And was this one of those groups that
01:58:05 had an additional equity consideration that was
01:58:11 outside the normal attention in the annual

01:58:15 process?
01:58:17 MR. KIERNAN: Object to form.
01:58:18 THE WITNESS: Sorry.
01:58:19 No.
01:58:19 BY MS. DERMODY:
01:58:20 Q. What was this?
01:58:26 A. During the -- the talent and pay
01:58:29 process, during the focal review process, part of
01:58:31 the decisions that get made around equity, there's
01:58:34 a set of guidelines we've looked at in some of the
01:58:36 other documents around the equity of the groups
01:58:38 for equity and their performance and retention
01:58:40 categor- -- ratings driving that group.
01:58:42 That group also got connected to how the
01:58:46 position was viewed and was it viewed as a product
01:58:48 development job or a technical job or an other
01:58:51 job.
01:58:52 We had higher equity guidelines for the
01:58:54 technical or product development jobs than we did
01:58:56 for other jobs. This group felt like they had not
01:58:59 been given the same equity that they had in the
01:59:01 past and that they thought they should be treated
01:59:04 like technical jobs and not other jobs, so they
01:59:06 raised some questions and this was a response to
01:59:08 that.

01:59:34 Q. On the same first page here, there is a bold statement, "Some important points," and the second of these is "PD vs. non-PD jobs."
01:59:46 Do you see that?
01:59:46 A. Yes.
01:59:47 Q. And what are -- what are PD versus non-PD?
01:59:50 A. What I was just trying to describe, product development versus non-product development.
01:59:55 Q. And the second bullet says, "It is the role that qualifies for the PD equity calculations, not the person."
02:00:02 Do you see that?
02:00:02 A. Yes.
02:00:03 Q. And what does that mean?
02:00:04 A. When we make program decisions, we make them on a broader category basis. We don't make those program decisions on an individual basis. It would be almost impossible to administer if we did.
02:00:15 And so we look and say a job generally requires the engineering degree or generally does not require the engineering degree. We don't look to say does this individual have the degree so

02:00:25 they get treated this way. They might have a degree but we might not require it, so it's not valued.

02:00:32 Q. Got it.

02:00:38 We've been going about an hour. Should we take a break?

02:00:41 MR. KIERNAN: Oh, yeah. Time flies.

02:00:44 THE VIDEOGRAPHER: This is the end of Video Number 3. The time is 2:00 p.m. We are going off the record.

02:01:00 (Whereupon, a recess was taken.)

02:01:00 (Whereupon, Deposition Exhibit 2744 was marked for identification.)

02:20:04 THE VIDEOGRAPHER: This is the beginning of Video Number 4 in the deposition of Mason Stubblefield. The time is 2:20 p.m. We're back on the record.

02:20:15 BY MS. DERMODY:

02:20:15 Q. And did the witness get passed 5 -- 2744.

02:20:21 A. Yes.

02:20:22 Q. That should be in front of you. Let me pass these.

02:20:29 Mr. Stubblefield, this document that was marked as Exhibit 2744 should have that Intuit

02:20:33 number on the front, 52826.
02:20:36 Do you see that?
02:20:36 A. Yes, I do.
02:20:38 Q. And if you turn to the next page, which
02:20:39 is the caption page of this document, your name is
02:20:45 in the middle of it.
02:20:46 A. Yes.
02:20:47 Q. Is this a document that you prepared?
02:20:49 A. Yes, it is.
02:20:50 Q. And who was this prepared for?
02:20:54 A. This was prepared for our talent
02:20:56 acquisition team.
02:20:59 Q. And was that the recruiting group?
02:21:01 A. Yes.
02:21:02 Q. Okay. And what was the purpose of this
02:21:06 presentation?
02:21:09 A. This was trying to help them in ways we
02:21:15 wanted them to think about decisions that they
02:21:18 make as they were helping managers bring talent
02:21:20 into the organization from a rewards perspective.
02:21:24 Q. If you turn to page 3 of this
02:21:26 document --
02:21:27 A. Yes.
02:21:27 Q. -- it says at the top "INTU Benchmark
02:21:31 Levels: Purpose."

Do you see that?

A. Yes.

Q. And what was the INTU benchmark level? Was that, again, the external market or is it something else here?

A. This is internal. So INTU is our stock symbol. Working in equity comp, I tend to abbreviate Intuit in the stock symbol instead of writing it out. So this is a reference to Intuit.

We introduced a new framework around job levels. We talked earlier about job architecture in the levels that we used. This was trying to help them get grounded in the way those levels were built and the purpose of the levels.

Q. And the third bullet, which says "Provides consistency within levels across job families," do you see that?

A. Yes.

Q. What is that describing here?

A. That the scope and expectations of jobs would be consistent by level. And so with software engineers or finance -- financial analysts or accountants at a level 1 or level 2 or level 3, the basic scope of expectations in those jobs would be consistent while the specific

02:22:35 aspects of the job would be different based on the discipline.

02:22:44 Q. If you turn to the next page, page 4 --

02:22:46 A. Yes.

02:22:46 Q. -- which says "INTU Benchmark Levels" at the top.

02:22:55 The second bullet says, "Levels have been defined within each of these categories," and then it lists the categories.

02:23:04 Can you describe what this is?

02:23:05 A. So it starts with the top bullet in that we divided jobs into three basic categories of they're either -- they were nonexempt individual contributor roles, exempt individual contributor roles, or they were managers, and then we defined levels inside of each of those categories.

02:23:20 At this time we defined three levels of job as nonexempt individual contributor jobs. We had five levels of exempt individual contributor and four levels of managers, including our director level roles.

02:23:30 Q. And was this, again, for equity determinations?

02:23:36 A. Equity meaning what?

02:23:37 Q. Stock.

02:23:38 A. No.
02:23:39 Q. This is for everything?
02:23:40 A. This was for job leveling purposes and
02:23:45 it did not -- levels didn't tie -- levels don't
02:23:50 tie directly to compensation, other than to
02:23:52 incentive target eligibility or the incentive
02:23:55 target associated with the job. It's a tool to
02:23:58 help us match our jobs to the market more
02:24:00 effectively.
02:24:00 So our levels are similar to, mapped,
02:24:05 easily mapped to survey job levels so that when we
02:24:08 pull market reference data in, we know we're
02:24:11 looking at like jobs.
02:24:13 Q. The fourth bullet on the same page says
02:24:14 "IPI targets based INTU 2 benchmark level."
02:24:18 Do you see that?
02:24:19 A. Yes. Yes.
02:24:19 Q. And what does that mean?
02:24:20 A. IPI is Intuit performance incentive.
02:24:23 It's essentially the company-wide bonus plan that
02:24:25 employees participate in if they're not on a sales
02:24:28 plan or a customer care plan. The bonus target
02:24:32 for a job is based on that level so that there's
02:24:34 consistency across the organization based on scope
02:24:37 of jobs, but they have the same bonus opportunity

02:24:40 at target.

02:24:45 (Whereupon, Deposition Exhibit 2745

02:24:45 was marked for identification.)

02:25:10 BY MS. DERMODY:

02:25:17 Q. The document marked as 2745 should have

02:25:19 that number on the front -50015.

02:25:22 Do you see that?

02:25:23 A. I do.

02:25:26 Q. If you open this document to the first

02:25:27 page, it has the title page and the next page has

02:25:31 a date on it.

02:25:33 Do you see those pages?

02:25:34 A. Yes, I do.

02:25:36 Q. And is this a document that you recall

02:25:39 seeing?

02:25:43 A. Yes, it is.

02:25:44 Q. And would this have been a document that

02:25:46 was produced in part in your area at this time?

02:25:52 A. Yes, it is.

02:25:57 Q. And was this a training for managers?

02:26:03 A. It would have been for training probably

02:26:04 for managers and maybe for HR business partners.

02:26:08 Q. Okay. If you turn to -- oh, dear, it's

02:26:14 another one of these documents without page

02:26:16 numbers. If you turn about midway through the

I, Kathleen A. Wilkins, Certified Shorthand Reporter licensed in the State of California, License No. 10068, hereby certify that the deponent was by me first duly sworn and the foregoing testimony was reported by me and was thereafter transcribed with computer-aided transcription; that the foregoing is a full, complete and true record of said proceedings.

I further certify that I am not of counsel or attorney for either of any of the parties in the foregoing proceeding and caption named or in any way interested in the outcome of the cause in said caption.

The dismantling, unsealing, or unbinding of the original transcript will render the reporter's Certificates null and void.

In witness whereof, I have hereunto set my hand this day: April 4, 2013.

___x___ Reading and Signing was requested.

_______ Reading and Signing was waived.

_______ Reading and signing was not requested.

____

KATHLEEN A. WILKINS

CSR 10068, RPR-RMR-CRR-CCRR-CLR